Advertising effects vs. consumer consciousness – Results of an empirical study

Margit Süle

Received 2012-05-27

Abstract

The aim of this paper is to review the related literature on consumer protection regulations and the effect mechanism of advertising (as well as its applications), and therefore to define a framework for companies with which they might be able to righteously and ethically inform and influence consumers in achieving their goals. In order to test my hypotheses concerning the factors potentially affecting the level of suggestibility by marketing activities (home, the level of consciousness, the type of consumer decisions, and involvement), a questionnaire survey has been conducted with a total number of 302 respondents, whom are undergraduate students of two Hungarian universities.

Based on the results of the survey, we might assert that the consumption habits of university students are deeply rooted in the socialisation patterns established in their childhood, still being present during their university years (in this study, observed in the differences of the level of suggestibility by advertising effects, in connection with the place where respondents live); this might be an important aspect when being targeted by the companies’ marketing communication. However, the general opinion of this age-group on consumer consciousness does not appear to be tightly connected to the critical evaluation of the companies’ marketing activity. Later on, in regard to their future consumption habits and behaviour, this may lead to consumer protection problems. Hence, in forming consumer consciousness, one of the most important aims of state institutions and NGOs is to improve the consumers’ ability and willingness to gather, and critically evaluate information.

Keywords

advertising effects · consumer protection · purchase decision · consumer consciousness

1 Introduction, relevance of the topic

The information saturation of the consumer market, the growing commercial significance of information (and thus, information as a market good), as well as the variety of communication forms and channels all create an increased risk for consumers, instead of supporting them in their consumer decisions. Hence, in such an environment, it is of key importance how consumers deal with media contents, whether ‘we are only bystanders, passive recipients of messages or consider them critically’ [18].

The interconnection of media and consumers, and media consumption are studied by several disciplines (such as marketing, consumer protection, or education), although with various – occasionally contradictory – aims and methods. Hereinafter, throughout the paper, the primary concern will be that of consumer protection; the related (mainly marketing-related) theories and research results will be presented and evaluated based on this approach.

While taking the characteristics of both the supply and the demand side into account, consumer protection regulations aim to provide a legal framework that is particularly beneficial and important for companies (producers and traders), as well as for marketing experts. With the help of this framework, they might be able to righteously and ethically inform and influence consumers in order to achieve their goals. On the other hand, however, establishing a conscious consumer behaviour is (or ought to be) the consumers’ own interest, regardless of the fact that commercial practices which are violating consumer rights are being sanctioned by consumer protection organisations. From a consumer protection perspective, a conscious and critical attitude should be characterised by the consumer’s ability to protect against oppressive marketing techniques, the permanent consideration of their own needs, and the ability and willingness to understand and solve problems related to their purchases. Within the confines of this paper, conscious consumer behaviour is being examined, along with its aspects connected to the companies’ advertising activities, i.e. their reasonable expectations towards consumers. From this point of view, in contrast to the ‘conventional’ efforts of advertising (that is, basically, to convince people), consumers should not only be satisfied with the
range of information provided by marketing communication, but should gather information from more reliable sources, thoroughly scrutinise products prior to purchases, and to make sure that these products actually have all the expected features.

Other scholarly fields discuss this issue as media literacy, or information literacy (1, 3, 16, 40) cited in (18)). According to this body of literature, media literacy might be defined as a set of knowledge and abilities that

- contribute to our understanding of how data, information and knowledge might appear in different forms of media [40].
- are related to the critical (re-)consideration of information derived from mass communication [3],
- and facilitate the access to diverse forms of communication, in order to analyse, evaluate and reproduce these forms [16].

According to the definition (and similarly to the previous considerations), information literacy consists of the individuals’ abilities and skills through which they recognise when they require information; they learn how to learn; and know how information is being organised, how it can be found and utilised in the learning process (ALA, 1989, cited in [18]).

Concerning the attitudes of consumers from post-socialist countries towards advertising, historical differences and cultural characteristics appear to play a highly important role in the consumer behaviour and knowledge in Central and Eastern European countries, as it has been revealed by the study of Petrovici and Marinov (2007) [26]. Within the former ‘Eastern Bloc’ (including Hungary), advertising had a negative connotation until 1989, partly because it was considered as a tool of capitalist propaganda [42], cited in [26]. Although advertisements existed, these were mostly informative (rather than persuasive), providing information regarding new products and services. At the same time, however, restrictions have been applied by the Council for Mutual Economic Assistance (COMECON) to the import and advertising of products manufactured outside of the socialist trading area. After the politico-economic transition, consumers have been increasingly exposed to advertisements, due to the rapid ‘marketisation’ of the economy and the influx of foreign companies, products and services. As a consequence, these countries have also been flooded with advertising campaigns over the past two decades. Moreover, this process has been strengthened by relatively weak market regulations and consumer protection legislation, with an under-developed economy [15] cited in [26]. Within these slightly regulated markets (such as in Bulgaria and Romania), misleading advertisements and unfair advertising techniques are more common, creating several opportunities for certain companies. In addition, the consumers’ knowledge on advertising instruments and brands is still in an incipient stage, therefore their capabilities to process information and critically evaluate advertisements might be less developed than those of ‘Western’ consumers [26 p 320] – see, for instance, the results of the Flash Eurobarometer survey, discussed later in the paper. The advertising sectors of these countries have undergone a significant institutional change as well, especially compared to the years of scarce consumer advertising during the socialist era. Therefore, when developing their advertising concepts for post-socialist markets, ‘Western’ companies should regard advertising as a kind of ‘cultural communication and interaction between social and economic realities’, as it has been pointed out in the analyses of Wells [12][23], cited in [26].

Similarly to the above-mentioned connections, certain trends might also be observed in consumer behaviour patterns that are constantly changing as the economy and the entire society alters. In her paper discussing the changes of Hungarian consumer attitudes, Töröcsik (2009) [39] divided the last 20 years into separate eras based on consumption and commerce. Within the first 7 years after the politico-economic transition of 1989, she refers to Hungarian consumers as ‘predictable consumers’; they are, as mentioned above, getting acquainted with new Western brands and product categories, as well as an utterly new way of shopping. The consumers of the next era (between 1997 and 2005) already know global brands and shopping malls; however, they are referred to as ‘still predictable consumers’. The era’s most dominant experiences are connected to the rapid spread of communication technologies (mobile phones and computers), virtuality and advertisements in everyday life, changing not only consumption patterns, but people’s behaviour and former social relations in general. Finally, ‘the unpredictable consumer is the result of the past few years’ [39 p 16], their consumption patterns cannot be predicted by the companies any more, they do not accept everything without criticism, they got uncertain and dubious (e.g. due to the recent food safety scandals), they do not confidently trust the reality represented in advertisements, and have increased expectations towards products and services. In addition, this period of general uncertainty has been further exacerbated by the effects of the emerging global financial crisis, badly affecting the consumer market as well. Therefore, the beginning of a new era, in which consumer behaviour returns to predictability and conscious consumption becomes a tool of ‘survival’, appears to be inevitable and indispensable.

Owing to these drastic changes and their effects, it is highly important to examine the role of consumer consciousness in consumer decisions, as well as in the factors potentially affecting these decisions, such as the effect mechanism of marketing communication.

Modelling advertising effects

The initial stage of the consumer decision process is problem recognition, along with the articulation of human wants (and therefore, the need for goods and services required to fulfil these wants). According to this problem-oriented approach, individuals aim to recognise and solve certain problems, for which they have to acquire relevant information and skills [13] i.e. consumers seek answers for their problems with their functional
or prestige purchases [9]. Although problem recognition might (and does) occur naturally, as a consequence of various mental and physiological processes, it is often spurred by marketing efforts. In several cases, marketers attempt to create primary demand, where consumers are encouraged to use a product or service regardless of the brand they have chosen (particularly in the early stage of an innovative product’s life cycle, such as when microwave ovens or mobile phones were first introduced). In other cases, however, consumers are prompted to prefer a specific brand instead of other (competing) brands, generating secondary demand [36].

The optimal direction, mode and depth of information gathering depend on the importance of a given want, as well as the time available for the gathering process. Consumers’ information-seeking builds upon their previous experiences related to purchases and the use of certain products, along with their expectations towards goods and services. Nevertheless, this ‘initial knowledge’ is usually not enough, therefore they strive to acquire new, external information as well. The basic, ‘internal’ search might be suitable for impulsive purchases, routine (brand-related) decisions and limited problem solving, while an external, planned and more rational pursuit of information appears to be highly important in case of high involvement consumer decisions, i.e. extensive problem solving [17].

Consumers, however, cannot be perfectly informed; they might not get all relevant information, and might not know all possibilities regarding their preferences and financial situation. Beyond time and money expenditure on information gathering, the limited access to information can also be traced back to a number of other causes including the individuals’ mental capacity, their initial knowledge, or the reliability of information provided by the companies. Due to the latter criterion, there is an information asymmetry between manufacturers/dealers and consumers. Although this asymmetry might be reduced from both sides, it cannot be entirely eliminated. Part of the companies’ information regarding product features has to be compulsorily transmitted because of consumer protection regulations, while others are voluntarily published by the firms. The latter includes advertising that is, however, less of a tool for providing information to consumers but for increasing sales: to conquer new markets, gain revenues and prestige, build brands, and to shape values. Moreover, according to stereotypical images, the aim of advertisements is brainwashing, hypnosis, manipulation, and persuasion. Along the ‘advertising effect–intentionality–problem solving’ paradigm, Fehér (2008) [9] raises the question whether there are ‘universal or special "tricks" and "recipes" that are more likely to encourage people to consume’, but the study eventually concludes that ‘there is no general recipe’.

Hence, examining and modelling advertising effects requires a complex understanding, and should be based on a wide range of concepts. The initial stimulus–response model assumed that advertisements mechanically affected consumers who were pliable, and automatically responded to actions. It considered repetition as one of the key elements of the advertising effect, and raising attention as its main purpose. The foundations of advertising effect models focusing on consumers are usually concerned with consumer attitude and behaviour regarding purchases and brand choice. In Fehér’s [9] typology, these models might be further grouped in regard to their primary focus, whether examining (1) advertising effects on consumers, (2) the reactions of consumers, or (3) the interaction of the previous two aspects (functional, cognitive, suggestive or solely affective advertisements, integrative and interactive models).

The traditional response hierarchy models based on persuasion (e.g. in [20][22][30] might be originated from Lewis’ [21] highly influential AIDA-model (attention[awareness]–interest–desire–action), which already differentiated between cognitive, affective and conative stages, arranged in a hierarchical order [38]. Although the above-mentioned models increased the number of levels and attempted to clarify the stages, their core con-
cern remained nearly the same: they all start with the perception of a product and the collection of information about its attributes, characteristics or benefits (cognitive stage), followed by the personal feelings or desires that convince consumers (affective stage) and eventually contribute to action (conative stage). As the primary aim of these persuasion-based models is to increase sales, the main task of advertising is to provide information and, most notably, to convince consumers. However, the achievement of this aim appeared to be highly dependent on the level of consumer involvement.

As a consequence, the subsequent models conceptualising advertising effects (such as in [28]; [41]; [35]; [31]) have already paid particular attention to the issue of involvement as well, while also connecting it to a set of other important factors. From this perspective, the level of involvement is closely interconnected with the (financial, social, psychological etc.) risks of purchases. The more and greater risks there are in case of certain purchase decisions, the more information has to be gathered by the consumers, for which advertisements might serve as a possible source. However, marketing communication can be used with varying levels of efficiency depending on one’s involvement; therefore, in order to achieve their goals (the purchases), the tasks of advertisements might also be different.

When further elaborating the model of information processing, Michael Ray [28] identified three alternative orderings of the three stages (learn–feel–do) based on perceived product differences and involvement; the model of standard learning hierarchy, dissonance/attribute hierarchy, and low-involvement hierarchy.

Vaughn and his associates at the advertising agency called ‘Foote, Cone & Belding’ (1980, 1989) developed an advertising planning model referred to as the FCB grid (Table 1), by building on traditional response theories including the hierarchy of effects model and its variants, as well as the research on high and low involvement. They added the dimensions of ‘thinking’ and ‘feeling’ at each involvement level based on theories regarding right/left brain specialisation (which suggests that the left side of the brain is more capable of rational and cognitive thinking, while the right side is more visual, emotional and engages more in the affective [feeling] functions). Along with the most appropriate variant of the alternative response hierarchies (learn–feel–do), they have outlined four primary advertising planning strategies in their model: (1) the informative (thinker), (2) the affective (feeler), (3) the habit formation (doer), and (4) the (self)-satisfaction (reactor) strategy. As its main advantage, this approach provides a useful way for creative/marketing specialists to define the appropriate marketing communication tools for certain product categories along the consumer involvement and thinking/feeling dimensions, based on comprehensive empirical studies.

To summarise the main characteristics of advertising effect models integrating the dimension of involvement, the following conclusions can be drawn regarding the decision process, the role of advertisements and the proper choice of advertising tools:

- **High involvement** – In case of high-risk purchase decisions (such as when buying durables), the appropriate response model is the standard learning hierarchy (learn–feel–do), where brand-related feelings/attitudes are based on rational thinking, economic considerations and information collection, eventually leading to action (purchases or rejection). In this scheme, consumers are viewed as active participants in the communication process who gather information through active learning [4]. The role of advertisements is providing information and advice that helps consumers to evaluate brands and make the most reasonable decisions. Due to their reliance on the reality represented in advertisements, companies are using marketing tools which consumers trust.

Decision situations where consumers have to choose between two alternatives that are similar in quality but are complex and might have hidden or unknown attributes are described by the dissonance/attribute model (do–feel–learn). In order to reduce the cognitive dissonance [11] caused by the risks of purchasing, consumers start to gather decision supporting information through a selective learning process, and attempt to avoid those possibly leading to decision uncertainties. Ray suggests that in these situations the main effect of the mass media (i.e. advertising) is the reduction of dissonance by reinforcing the wisdom of the purchase, rather than the persuasion of consumers prior to their purchase decisions. This supportive information might include, for instance, awards and prizes won by the brands. Finally, in case of highly involving/feeling purchase decisions (and products), advertising should emphasise psychological and emotional motives such as building self-esteem, or enhancing one’s ego or self-image (affective strategy: feel–learn–do). Regarding the latter, typical examples include the ‘because I deserve’ type advertisements of cosmetic products, such as the TV spots of Dove openly confronting natural beauty and the artificial (yet instantly recognisable) beauty appearing in the media [9].

- **Low involvement** – In case of low involvement consumer (and routine) decisions, the do–feel or do–learn hierarchy is operating, as product experience is an important element of the learning process. Vaughn argue that a minimal level of awareness (passive learning) may precede purchases, but a deeper and active learning process is not necessary. Therefore, it is analogous with Ray’s low-involvement (learn–do–feel) hierarchy mentioned above. These notions are largely based on Krugman’s [19] theory explaining the effects of TV advertising; he considered television as a low involvement medium having strong effects on brand awareness and recall, but being unable to cause a significant change in consumers’ attitudes towards the products. In low involvement situations, consumers do not compare advertisement messages with previously acquired beliefs, needs, or past experiences. As a
consequence, although advertisements might increase consumers’ knowledge, they are more likely to be related to the advertised brand (such as to its name, slogan, or logo), instead of resulting in attitude change [4]. According to Krugman, this information may be sufficient to trigger purchases, and consumers will then form their own attitudes towards the purchased brand. However, passive and uninterested consumers may focus more on the non-message elements of advertisements such as music, symbols, and slogans; these are stored in consumers’ mind (without active cognitive processing) and become salient in certain purchase situations [3]. This effect might be observed in the advertisements of several frequently used products.

After these theories, a new generation of non-hierarchical models emerged which – in contrast to the previous ones discussed in this chapter – do not take ‘the persuasion-based characteristics of advertising and rational consumer behaviour’ into consideration [38, p 7]. Therefore, they appear to be less useful for understanding and evaluating the efficiency of advertisements.

**Consumer protection and the regulation of advertising**

In the decision process, regardless of consumer involvement or the scope of decisions, consumers often make worse decisions than they would have made, even if striving for optimal solutions. It might be traced back to the risks of decisions (e.g., unfair commercial practices of companies) and the consumers’ bounded rationality (e.g., the insufficient amount of information). This phenomenon is referred to as consumer decision deviation, through which consumers may have two kinds of disadvantages; directly, financial, and indirectly, a decrease in long-term consumer welfare. The direct effects inherently contribute to the distortion of the competition and, consequently, to a decrease in welfare [12]. In order to avoid these short-term and long-term effects, it is indispensable to reveal the factors that might contribute to consumer decision deviation. In this process, both state regulations (on the supply side) and conscious consumption (on the demand side) play an important role.

The methods to influence the market are constrained by ethical norms on the one hand, and consumer protection legislation on the other. These norms are usually defined in self-regulatory codes of conduct accepted by the companies, while normative (state) legislation is laid down in directives, laws and decrees. According to the definition of the Act XLVIII of 2008 on the fundamental conditions and constraints of commercial advertising, the code of conduct is ‘a set of agreements and regulations that defines mandatory rules referring to certain commercial practices or business sectors (in direct marketing or the content services market) for enterprises which make the code obligatory upon themselves’ [25, p 260]. In case of Hungary, based on a general consensus within the field of advertising, the ‘Hungarian Code of Advertising Ethics’ (MREK) was signed in 1981 for the first time, then – in order to adapt to the changing social and economical environment – it was re-enacted in 2009.

Besides that, a number of restraints and restrictions have also been initiated concerning the legal regulation of exerting market influence through advertisements, and the establishment of a legislative framework for advertising activities, primarily focusing on the message content of advertising, the place and mode of publishing the advertisements, and the range of products being advertised. As an example of the consumer protection requirements, if an advertisement has temporally and spatially unrestricted access to consumers, both the positive and negative attributes of the product have to be featured. However, if it is only propagated within a limited scope, the advertisement does not have to contain all the information, although those provided must be correct and accurate.

The UCP Directive (2005/29/EC) concerning ‘unfair business-to-consumer commercial practices in the internal market’ has been approved by the European Union in 2005 and implemented in the Hungarian legislation in 2008, causing elementary changes in the national regulation on commercial practices. Prior to that, the Act LVIII of 1997 on commercial advertising activity defined the related terminology and the above-mentioned (general and specific) advertising restraints and restrictions, as well as the rules of advertisement monitoring procedures and the issue of responsibility [25]. Since September 2008, the Hungarian regulation on advertising activity consists of

- the Act XLVII of 2008 prohibiting dishonest commercial practices in respect of consumers (regarding B2C [business-to-customer] advertising), and

Nevertheless, contrary to these regulations, there are several contradictions in the consumer protection legislation concerning advertising. For instance, according to a 2008 judgement of the Budapest Municipal Court of Appeals, consumers who have no doubt regarding the reliability of advertisements and the information displayed in them might also be considered as quasi-rational consumers. However, today’s consumers have to be aware of the fact that advertising is a tool of attraction; they cannot treat all kinds of information as taken-for-granted, and they always have to make sure that products have all the attributes required to satisfy their particular needs [10]. The terms ‘protection of consumer’s interests’ and ‘consumer protection’ both suggest that consumers are passive recipients of regulations designed to protect them. On the contrary, their active participation is required to enforce their interests and wants, as well as to maintain competition in the market. Therefore, the complex scrutiny of the companies’ advertising activity and thus, the factors potentially affecting (or restricting) the freedom of the consumer decision process is of paramount importance.
In 2011, Eurostat and the Directorate-General for ‘Health and Consumers’ (DG SANCO) requested a Flash Eurobarometer (No. 299), in order to conduct a questionnaire survey among all 27 member states of the European Union. The main objective of the report was to examine the attitudes and experiences of European consumers towards cross-border trade and consumer protection in the EU’s internal market, including the issue of unfair and misleading commercial practices (advertisements). The survey revealed that one fifth of EU consumers – who had seen misleading or deceptive advertisements or offers – had actually responded to them; this translates to 8% of all EU consumers having fallen victim to deceptive advertising in the 12 months prior to the survey. Of those who had come across fraudulent advertisements or offers, 16% had realised their error after having responded to them; this translates to 5% of all EU consumers having fallen victim to fraudulent advertising during the past 12 months [7, p 49]. When evaluating the results by member states (Fig. 1), the majority of consumers in Finland, Spain, Austria and Greece said they had experienced what they perceived as misleading or deceptive advertisements or offers, however, the highest proportions of those who actually responded to them were recorded in Bulgaria, Poland, Lithuania and Ireland (cf. the introduction regarding post-socialist countries). Concerning both questions, Hungary is above the EU-average; 45.4% of the Hungarian respondents (N=1008) already came across misleading advertisements (EU27: 42.5%), 22.9% of whom responded to them in the last 12 months (EU27: 19.6%). Furthermore, the proportion of consumers who came across fraudulent offers or advertisements (HU: 27.1%, EU27: 28.9%), but only later realised that they had fallen victim to these is the highest in Hungary, 25.9% (EU27: 16.3%).

When taking only the target group of my study into consideration (consumers aged 15-24 in the Flash Eurobarometer survey), the results show that 45% of the respondents already came across misleading advertisements or offers, and 21.2% of them responded to these (i.e. purchased a product or service). Besides that, 31.2% of the same age-group already came across fraudulent advertisements, 16.9% of whom have fallen victim to these. Regarding both questions, these numbers are relatively high compared to other age-groups (in case of misleading advertisements: 25-39: 21.4%; 40-54: 18%; 55+: 18.6%). This might also mean that most consumers consciously recognise misleading and fraudulent advertisements, however, a significant proportion of them only realises it later, based on their personal purchasing experiences. Therefore, from this perspective, they might not be considered as conscious consumers.

Hypotheses
In accordance with the previous assumptions, we might assert that ‘consumer consciousness cannot be universally defined, as it is highly dependent on the consumer’s personality, the product features, the characteristics of the market, and the companies’ position on the market’ [12, p 14]. Complex notions such as consciousness do not have a coherent interpretation, thus they are inherently difficult to be quantified. Nevertheless, one might still consider carrying out quantitative analyses, even under limited information conditions, with a deep awareness of the explanation and interpretation of the results. Moreover, complex notions are of multidimensional and multivariate nature. Multidimensionality, in this regard, refers to the multiple aspects of consciousness, which are not directly interchangeable but certain correlations might be observed between them. Aspects of consciousness might include the access to information, the willingness for hedonistic behaviour or convenience, along with price sensitivity or suggestibility caused by the media. Furthermore, these dimensions cannot be reduced to one single indicator; on the contrary, they might be measured in various ways, complex notions are hence multivariate. For instance, consumers’ access to information can be characterised by the mode and intensity of gathering information before making purchases, or the suggestibility by the marketing activity of companies.

Additionally, these indicators (the connections between consciousness and consumer behaviour) are significantly affected by the individual’s gender, age and socioeconomic status (SES) as well, which makes them even more difficult to measure. Based on the results of preliminary research [37], hypothesis H0 might be accepted: ‘Different aspects of consciousness dominate the consumer decisions of females and males.’ According to the significance levels of correlation between gender and decision types, female respondents appear to be characterised more by hedonistic consumption (searching for experience and trend following). On the other hand, however, they are more price sensitive than males. Concerning the answers of male respondents, Veblen effect appears to be stronger; they are convinced that higher price is mostly associated with better quality, and they have greater trust in well-known brands. Although both groups aim to gather a lot of information about the product range prior to expensive purchases, males are more likely to make impulse consumer decisions.

My first two hypotheses are concerned with the role of consumer consciousness level (as judged by the consumers) and the place they live in (capital city–countryside) in another aspect of consciousness, the ability to protect against suggestive marketing techniques.

H1: Based on the efficiency of marketing communication tools, university students can also be segmented on a territorial basis, between the capital city and the countryside.

H2: The level of consumer consciousness also depends on the consumers’ suggestibility by the marketing activity of companies.

In the consumer decision process, from the perspective of consciousness, the main emphasis is being placed on the recognition of the difference between wants and desires, information gather-
today's young consumers aged 18-25 are the 'adult con-

Hypotheses

Methodology, data

In order to evaluate the consumer decisions and habits of the

role of consumer involvement, my third hypothesis is concerned

H3: In purchase decisions, there is a connection between the

level of consumer involvement and the effects of the compa-

nies’ advertising activity on consumers.

ing and post-purchase behaviour and evaluation, which are di-

tinctly influenced by the type of the decision process and the

level of the consumers’ involvement in their purchases. There-

fore, consciousness might appear in multiple forms and of dif-

ferent importance in various kinds of consumer behaviour. It

plays the most significant role in ‘extended’ consumer decisions,

which have the highest rate of consumer involvement in the pur-

chase process, and where certain stages can clearly be distin-

guished (also temporally) from one another. This can usually be

observed when purchasing expensive, high-involvement goods

with high risk; these are considered as long-term investments,

as consumers only rarely change them. In case of routine and

impulse buying decisions based on limited problem solving,

consciousness cannot (or only partly) be observed [12].

The main reasons of these simplified decisions might include

product characteristics, the consumers’ low motivation, their in-

sisting on certain brands, or the difficulties of effectively pro-

cessing substantial amounts of information. However, routine
decisions are usually preceded by an extended consumer de-

cision (the so-called brand decision), which might only ‘be-

come routine’ after (and due to) post-purchase evaluation. This

process clearly indicates the consumers’ pursuit of rationality

and thus, a kind of consciousness. Finally, impulse buying is

the least conscious type of decisions, through which consumers

make their purchases based on a positive internal motivation

cause by external stimuli, practically without gathering infor-

mation. Although only to a limited degree, but a certain kind of

consciousness might be observed if their decisions are based on

an outstanding feature of companies or products (e.g. extremely

low prices). In these cases, however, the risks are quite signifi-

cant, especially when companies incorporate these ‘advantages’

(in fact, consumer disadvantages) into their marketing strategies,

and – through potentially misleading or aggressive commercial

practices – they ‘force’ consumers to make impulse buying de-

cisions.

Therefore, in order to test the validity of the above-discussed

c model of Vaughn [41], regarding various decision types and the

H3: In purchase decisions, there is a connection between the

level of consumer involvement and the effects of the compa-

nies’ advertising activity on consumers.

Fig. 1. The proportion of consumers who came across misleading advertisements and responded to them – 
by country (Data source: DG SANCO, 2011)
The survey has been carried out with a total number of 302 respondents, all of whom are undergraduate students attending courses at the Faculty of Economic and Social Sciences at BME (Budapest University of Technology and Economics) and the Faculty of Natural Sciences at NYME SEK (University of West Hungary), with a gender distribution of 51% females and 49% males. In Hungary, a significant proportion of students do not attend higher education institutions in their hometowns; they move to a dormitory or rent an apartment in one of the university towns, and become self-sufficient. However, the ones studying in Budapest might have different attitudes, due to a number of factors including better infrastructural facilities, higher store density, better financial conditions, and different socialisation patterns. Therefore, it appears to be worthwhile to examine the consumption habits of the students of Budapest faculties and the ones from other parts of the country separately, and to compare these groups (see hypothesis H1). The role of 18-25 years old university students is becoming more and more important in consumer society, as they are obtaining a significant amount of ‘free to spend’ income for the first time during their university years (independently from their parents). So thus, they often become prime ‘targets’ of several companies, including the ones dealing with fashion, electronics or alcoholic drinks. In this survey, 43% of the respondents do not share the same household with their parents.

The survey aims to reveal how conscious certain consumers (in this case, university students) are when making their purchase decisions. Are they shopping ‘consciously’, ‘routinely’, or making ad hoc decisions based on the companies’ advertising activity? The main types of information required for the research are the following: the scope and depth of information being collected prior to consumption decisions, the influence and effects of external stimuli on consumption (advertising, acquaintances, the society etc.), the behaviour of consumers after their purchases (especially in case of complaints), and the amount of money spent on consumption. Based on this information, six main features might be outlined in which consumer consciousness can be (or ought to be) observed; (1) dealer choice, (2) product choice, (3) the effects of advertising, (4) consumer decisions, (5) consumer protection knowledge, and (6) demographic characteristics. The structure of the questionnaire follows the logical order of these features. However, as they cannot be properly quantified, only their relative importance can be measured on an interval scale that is, in this study, a 4-point Likert-type scale (1 = Not important; 4 = Very important). The questionnaire consisted of 28 questions, and took students approximately 20 minutes to complete. In connection with the hypotheses, three main questions have to be pointed out concerning the general and subjective conceptualisations of consciousness ("What do you consider as conscious consumer behaviour?", "How conscious do you consider yourself?") the suggestibility by different advertising activities ("What kind of advertising activity affects your product choice the most in each product categories?") along with the questions regarding the place where respondents live.

Firstly, in order to support the hypotheses, the similarity between the groups (the null hypothesis of the test) has been analysed using nonparametric tests (Mann-Whitney U, Kruskal-Wallis H), due to the ordinal variables and the nonparametric distribution of the sample. According to the results, in case of groups that were significantly different by means of certain aspects, the effect of independent variables (such as the place where respondents live) has been analysed on a number of dependent variables (advertising effects by product groups and communication tools) using one-way variance analysis (ANOVA).

Results

As the sample of 302 participants consists of students of two higher education institutions (BME: 87%, NYME: 13%), their territorial segmentation can be examined in two different ways, in case we are distinguishing between (1) the place where the respondents live, and (2) the place where they attend university. The connection between the place of education as the grouping (independent) variable and the effects of certain advertising activities (by product groups) as dependent variables has been analysed using the Mann-Whitney U test. The results of the test revealed that all kinds of advertising activities have greater impact on those attending NYME compared to the members of the other group studying in Budapest; therefore, the null hypothesis might be rejected in most cases, i.e. the two groups are not similar. Furthermore, when focusing on the places where participants live (Budapest: 55%, other parts of the country: 45%), more significantly different – and more detailed – results have been found using one-way ANOVA, as it is shown in Table 2.

On the one hand, weekly circulars (by cosmetics: F[1,135] = 10,427, P < 0.001) and leaflets (by durables: F[1,135] = 6,012, P < 0.015) have significantly greater impact on non-Budapest residents for all product categories. On the other hand, concerning the purchase decisions of young adults living in Budapest, the impact of billboards and product tests appears to be stronger (however, not significantly).

Based on these results, we might assume that Budapest residents became more distrustful and ‘resistant’ to the constant barrage of weekly circulars and leaflets, presumably due to the information saturation mentioned above (e.g. better infrastructural facilities, higher store density, different socialisation patterns). As these advertising tools are less frequently – and less ‘aggressively’ – used in other towns and villages, local consumers rely more on them when making (or changing) their purchase decisions.

In accordance with the findings of the survey, hypothesis H1 (‘Based on the efficiency of marketing communication tools, university students can also be segmented on a territorial basis, between the capital city and the other parts of the country.’) is retained. As a consequence, in case of advertising campaigns
In case of purchasing

99

Advertising effects vs. consumer consciousness

How conscious do you consider yourself?

open question ("that respondents might still consider themselves as conscious

consciousness (as the dependent variable) either. This means

dependent variables) and the participants' (subjective) level of

relation between the influences of advertising activities (the in-

results of a regression analysis indicate, there is no significant

> 0.05). Likewise, as the

significant correlation: -0.096; P

level of consciousness (Spearman's rank correlation showed no

fluenced by advertising activity, primarily foods (34,1%) and

cosmetics (32,5%). This is, however, not connected to their own

consumption, the price–value–quality triad, and deliberate and

purposeful buying decisions. Hence, according to their own

opinions, respondents consider themselves as rather conscious

consumers (point 3 on the Likert-scale: 57,6% of the partici-

pants, mean: 2.94, std. dev.: 0.641). However, from the perspec-

tive of consciousness, it is particularly important to choose the

right sources of information prior to purchases, i.e. to critically

evaluate and properly handle information provided by marketing

communication. So thus, the degree of suggestibility by adver-

tising activity ought to be closely related to the level of con-

sumer consciousness, because the majority of advertising tools is

only able to transmit a relatively small proportion of informa-

tion about the products and services. Therefore, these tools are

often applied in misleading and fraudulent practices.

Furthermore, according to the respondents’ answers to the

same open question, this aspect appears to be less dominant in

‘defining’ consciousness, as it has also been supplemented by

statistical data. The majority of students (65%, std. dev.: 0.478)

have already purchased certain products or services directly in-

fluenced by advertising activity, primarily foods (34,1%) and

cosmetics (32,5%). This is, however, not connected to their own

level of consciousness (Spearman’s rank correlation showed no

significant correlation: -0.096; P > 0.096). Likewise, as the

results of a regression analysis indicate, there is no significant

relation between the influences of advertising activities (the in-

dependent variables) and the participants’ (subjective) level of

consciousness (as the dependent variable) either. This means

that respondents might still consider themselves as conscious

consumers, even though their purchase decisions are heavily in-

fluenced by the companies’ advertising activity. Taking all these

findings into account, consumer consciousness – in contrast to

the assumptions found in the related literature – is not connected
to a critical attitude towards suggestive marketing techniques, at

least in the sample of this study. Therefore, hypothesis H2 is

rejected.

When examining the suggestibility of different advertising

tools (see Fig. 3), certain tendencies might be identified that
can be observed in all product categories, regardless of the in-

volve ment level or the type of consumer decisions. In case of

all product groups, retail offers have the greatest impact on the

purchases of students, presumably in accordance with price sen-

sitivity, a common feature of the entire Hungarian society. At

the same time, radio advertisements and newspapers have the

smallest effect on the respondents, mainly due to the media con-

sumption preferences of younger generations. According to sur-

veys, the last five years have seen a drastic change in their media

consumption habits; besides the rapid development of the inter-

net (and online content consumption) and the slight increase of

television, the consumption of the other two traditional types of

media (radio and magazines) shows a slow but steady decrease.

When examining the influence of certain advertising activities

on university students by product groups of different involve-

ment level (Table 3), we might assert the following:

- In case of purchasing high-involvement goods (such as

durables), when consumers aim to gather and evaluate as

much information about the product/brand and the store as

possible (in order to reduce the high risks of the extended con-

sumer decision), the role of the advertising activities in infor-

mation transmission is also becoming important. According to

the results, the influence of all kinds of marketing tools is

greater for high-involvement goods (with a mean of 2.12 and

above), with the highest suggestibility by weekly circulars.

Primarily due to the high prices of these products, it appears

<table>
<thead>
<tr>
<th>Dependent variable: influence of advertising</th>
<th>Budapest Mean</th>
<th>Std. Dev.</th>
<th>Countryside Mean</th>
<th>Std. Dev.</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>retail offer</td>
<td>2.99</td>
<td>.84</td>
<td>3.21</td>
<td>.83</td>
<td>4.875</td>
<td>.028</td>
</tr>
<tr>
<td>weekly circular</td>
<td>2.37</td>
<td>1.01</td>
<td>2.70</td>
<td>.99</td>
<td>8.526</td>
<td>.004</td>
</tr>
<tr>
<td>leaflet</td>
<td>1.87</td>
<td>.84</td>
<td>2.07</td>
<td>.91</td>
<td>3.929</td>
<td>.048</td>
</tr>
<tr>
<td>Cosmetics</td>
<td>weekly circular</td>
<td>2.32</td>
<td>.91</td>
<td>2.67</td>
<td>9.427</td>
<td>.001</td>
</tr>
<tr>
<td>Household items</td>
<td>weekly circular</td>
<td>2.26</td>
<td>1.03</td>
<td>2.52</td>
<td>5.022</td>
<td>.026</td>
</tr>
<tr>
<td>weekly circular</td>
<td>2.63</td>
<td>1.00</td>
<td>2.87</td>
<td>.93</td>
<td>4.486</td>
<td>.035</td>
</tr>
<tr>
<td>Durables</td>
<td>leaflet</td>
<td>1.99</td>
<td>1.00</td>
<td>2.27</td>
<td>6.012</td>
<td>.015</td>
</tr>
<tr>
<td>newspaper</td>
<td>2.08</td>
<td>.94</td>
<td>2.30</td>
<td>.91</td>
<td>3.904</td>
<td>.049</td>
</tr>
<tr>
<td>weekly circular</td>
<td>2.47</td>
<td>.97</td>
<td>2.73</td>
<td>.96</td>
<td>5.418</td>
<td>.021</td>
</tr>
<tr>
<td>Clothes</td>
<td>leaflet</td>
<td>1.98</td>
<td>.98</td>
<td>2.21</td>
<td>4.160</td>
<td>.042</td>
</tr>
<tr>
<td>Services</td>
<td>weekly circular</td>
<td>2.08</td>
<td>.91</td>
<td>2.29</td>
<td>3.931</td>
<td>.048</td>
</tr>
</tbody>
</table>

The significance level is .05.
Fig. 2. The level of suggestibility on consumer decisions by advertising activities

to be crucial for consumers to find out in which stores they can purchase them on discount prices. In addition, the following two marketing tools are also important because of their information content; while product tests play a significant role in creating user experiences, television advertisements aim to emphasise and summarise the advantages of a given product.

However, concerning high-involvement goods where purchase decisions are more emotionally led (such as cosmetics and clothes/fashion apparel), students’ decisions appear to be more influenced by brand-related advertising tools having great emotional effects and certain ‘reminder’ functions (instead of their information content). These tools include weekly circulars (mean: 2.59) and billboards (2.28).

- In case of simplified, routine decisions made when purchasing low-involvement goods, the primary aim of marketing communication is to reinforce the wisdom of the decision and to ‘remind’ consumers, for example by weekly circulars, product tests or TV advertisements. Regarding routine decisions based on brand choice (as extended decisions), product tests have a significant role and influence (with a mean of 2.56 in case of foods).

The purchase of low involvement goods is mainly characterised by impulse buying decisions (with a stronger emotional motivation), so that consumers might make certain decisions without gathering any information, purely on an emotional basis. Such an effect might be achieved by retail offers (mean: 2.46), TV advertisements (mean: 2.34), or leaflets (mean: 2.21).

Finally, when correlating the effects of certain advertising tools by product categories, moderate and strong correlations (clothes–durables/radio advertisements: r = 0.723, P < 0.000) have been found between the effects of advertising activity on foods, cosmetics and household items (Group 1), and clothes and durables (Group 2). However, there is no or only a weak correlation between these and advertising effects related to services. While Group 1 is more characterised by routine decisions, the purchase of high-involvement goods belonging to the other group is usually preceded by a longer and more comprehensive decision process.

Based on the analyses summarised above, in case of goods with different involvement levels, certain differences and significant correlations might be found in the level of suggestibility by advertising effects. Therefore, hypothesis H3 (‘In purchase decisions, there is a connection between the level of consumer involvement and the effects of the companies’ advertising activity on consumers.’) is retained.

Summary, conclusions

Examining the effects of advertising raises several further questions among marketers as well, who are primarily looking for data, numbers, formulas and algorithms derived from marketing research tools and models. However, before making any firm prognostication, they might not forget that ‘the reaction of passive consumers cannot always be observed behind active consumers expressing their opinions’ [8] cited in [9]. The image of Töröcsik’s [39] ‘unpredictable consumer’ is closely resembled by Ogilvy [23, p 23]: ‘Researches come and go, but most advertisers still cannot be sure whether or not their advertisements will work. There are too many unknowns in the equation.’ These statements clearly demonstrate the limitations and pitfalls of questionnaire surveys as well; hence, these considerations always have to be taken into account, especially when evaluating research results and drawing conclusions. As another self-reflexive critical remark, one of the survey’s most crucial limitations is that the questionnaire focused more on the ‘soft’ elements of consciousness in consumption (that are connected to attitudes, and therefore cannot – or only hardly – be verbalised). Hence, in order to obtain more information about the consciousness of students, it should be supplemented with questions or case studies aimed at assessing ‘verbalisable’ knowl-
edge, as well as consumer protection knowledge.

Based on the results of the survey, we might assert that the consumption habits of university students are deeply rooted in the socialisation patterns established in their childhood, still being present during their university years (in this study, observed in the differences of the level of suggestibility by advertising effects, in connection with the place where respondents live). The results of the paper, i.e. the impact of various advertising tools on the consumer decisions of university students, are also supported by the main outcome of a market research carried out by a leading online business consultant site, Business.com. According to their analysis [6], companies aiming to target university students have to be aware that they are notoriously finicky about advertising, and they do not trust many traditional forms of advertising. On the contrary, their attention can rather be grabbed by advertisements being able to raise attention (such as sidewalk chalks, flyers, or mnemonic devices like music) and word-of-mouth (the recommendation of their friends).

Besides that, the general opinion of this age-group on consumer consciousness does not appear to be tightly connected to the critical evaluation of the companies’ marketing activity, as the majority of respondents have already made purchases influenced by advertisements. Later on, in regard to their future consumption habits and behaviour, this may lead to consumer protection problems. Among consumer protection legal actions related to misleading information provided to consumers (based on the Act XLVIII of 2008), the cases dealing with the issue of displaying discount prices and stockpiling practices connected to limited offers appear to be particularly important. The related advertising activities – such as retail offers, weekly circulars, and leaflets (which influence the majority of respondents) – might ‘force’ consumers to make immediate buying decisions. In these situations, they do not have the amount of time required to make informed consumer decisions, especially if a product is presented as a limited offer, often (falsely) stating that it will only be available for a very limited time and/or on particular terms and conditions. Legal actions of authorities against the leading telecommunication companies are also common, mostly due to insufficient (and therefore, potentially misleading) information provided in their advertisements. Mobile and internet services belong to the 4th product group of the FCB grid, where advertisements – TV spots and leaflets – often attempt to convince consumers on an emotional basis (through belonging to a particular group, trend following, and emphasising self-expression), according to the study, quite successfully.

To conclude, we might assert that the companies’ marketing activity plays a considerable role in the consumer decisions and consciousness of young adults; therefore, the most important aim in forming the decision process (for instance, by means of consumer protection education) is to improve the consumers’ ability and willingness to gather and critically evaluate information. However, consumer education cannot exclusively be provided through coursework at educational institutions (‘formal education’), extracurricular activities at educational institutions (‘non-formal learning’), or experiences outside of educational institutions (‘informal learning’). The importance of targeted education focusing on specific issues (e.g. financial education) or groups (e.g. children, elderly people), as well as that of lifelong learning, is also highlighted [24].

In addition, this study did not take the evaluation of the effects of online marketing on consumer decisions into account either (only discusses the role of the internet as a source of in-
formation), although the growing dependency on the internet as the ultimate source of information and communication makes it the leading advertisement platform. Moreover, a great number of studies deal with the diverse aspects of online advertising and their effects on the consumers’ intention to purchase. Among these studies, the ones focusing on the community of youngsters – who represent the vast majority of internet users – argue that the efficiency of online advertising depends on a variety of factors, such as the language of a website, the users’ income, their internet skills, the frequency of internet use, or the place of advertising. Besides these, however, the most important is definitely the impact of other people’s opinion [1].

Finally, getting acquainted with the points of view and practices of other related ‘actors’ (e.g. the competent consumer protection authorities, companies, various alliances and NGOs) might generate several further research questions as well, which appear to be indispensable for a thorough understanding of the topic, focusing not only on the age group being examined in this study.

References


