

Perceptions of Indian Consumers towards Comparative Advertising

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Abstract

In her book *Craft of copywriting*, June A. Valladares says that “*The essence of copywriting lies in saying it differently while trying to say it memorably*”. Following her quote, in today’s emerging advertising markets the introduction of new types of advertising techniques and strategies becomes essential, those that enable different brands to differentiate their products from those of their competitors and to create a positive impact, as well as a create a memorable influence in the minds of the consumers. This particular need has given rise to a form of advertising known as ‘Comparative advertising’. The growth of this advertising strategy has led to academic discussion and research about its influence on the minds of consumers. This paper attempts to understand and analyze the influence of comparative advertising on the minds of the Indian consumers and their perception about comparative advertising as an advertising strategy.

Keywords: Comparative advertising, Consumer perception, Indian consumers, Influence of brand comparisons

1. Introduction

A formal definition of comparative advertising was given by the Federal Trade Commission (FTC) in the United States in 1979 which said “Comparative advertising is defined as advertising that compares alternative brands on objectively measurable attributes or price, and identifies the alternative brand by name, illustration or other distinctive information” (Federal Register, 1979).

The European Union’s Directive on Comparative Advertising 97/55/EC2 defines it as:

“Comparative advertising means any advertising which explicitly or by implication identifies a competitor or goods or services offered by a competitor”. So, comparative advertising is basically advertising where one brand advertises its goods or services by comparing them with the goods and services of another brand.

In 2008, Manish Bhatt, Vice President and Executive Creative Director, Contract Advertising had rightfully stated “Comparative advertising, when tastefully executed, can be an example of successful advertising. Brands are built on competitive spirit, but there has to be a long term strategy in building brands and the proposition should be unique enough to make it convincing. Else it's akin to salesmen fighting among each other proving their brand to be better, which ends up actually mocking the product.”

In his book *The Advertised Mind*, Erik Du Plessis compared brand memories with items in an over-stuffed cupboard which, when the door is opened come tumbling out. Similarly, when the door to one of our mental brand cupboards is opened what falls out is a cascade of brand memories.

This signifies that the consumer's minds are filled with memories of advertisements of various products. However the most easily identified faces will unlock the brand cupboard the fastest.

This makes it essential for competing brands to constantly strive to earn the reputation of a familiar brand in the minds of the consumer while at the same time wipe away the imprints of the other brand from their mind such that at the time of purchase the customers brand memories only unlock one's own brand's recall. Comparative advertisements serve just the same purpose by not only presenting one's own brand in a positive light but at the same time diminishing the value of the rival brand in the minds of the consumer. So, throughout this long drawn process it is the customer who is being targeted and being influenced. The present study is an attempt to understand the influence of comparative advertising on the minds of the Indian consumers.

Comparative Advertising in India

While comparative advertising is an established practice in various parts of the world, especially in developed markets, it is not widely used in many developing countries, either due to cultural norms or government regulation (Kotabe and Helsen 1998). It is a new phenomenon in India too as comparative advertising has been allowed officially after the economy of the country was liberalized. In India, where confrontation is avoided and harmony is sought, cultural norms are also inconsistent with the tactics used in comparative advertising (de Mooij 1998; Miracle and Choi 1997).

But the Indian advertising industry has evolved from being a small-scaled business to a full-fledged industry. In fact it is projected to be the second fastest growing advertising market in Asia after China. It is estimated that by the end of 2018, the share of advertising spend in India's Gross Domestic Product (GDP) will be around 0.45 per cent (IBEF, 2017). This also makes it evident that the advertising industry in India is a fertile space. Along with this growth in advertising, emerging markets like India have not shied away from using a comparative advertising as an advertising strategy. Initially, the use of indirect comparative advertising was prevalent where comparative advertisements do not explicitly identify or name the comparison brand. Instead they only implicitly compared themselves to a "leading" or "other" brand(s) (Nye, Roth, and Shimp, 2008). Also, Indian consumers belonged to high context culture (Uljin and Kumar, 1999) and preferred indirect messages (Miracle et al., 1992). But after late 90s there was a surge in direct and explicit comparative advertisements where competitors are either explicitly named or can be precisely identified (by photos, images or trademarks). This transition has been linked to the influence of western culture on Indian consumers and a shift from high to low context culture (Chella, 2007).

Also, looking at the regulatory aspect of comparative advertising in India, the Advertising Standards Council of India (ASCI) has also supported the usage of explicit and direct comparison (Kalro et al., 2010). The ASCI position on the form and manner of comparative advertising has been laid out in Chapter IV of the body's Code for Self-regulation in Advertising.

Some recent and popular examples of comparative advertising in India include:

- *Pepsodent Vs Colgate Strong Teeth* where Pepsodent was shown to be better than Colgate Strong Teeth by 130%.
- *Everyday LED Bulb Vs Havell's LED Bulb* where only two attributes of a bulb, i.e. lumens and price were highlighted with the statement “check lumens and price before you buy”,
- *The Hindu Vs Times of India* where TOI launched ‘the Wake Up!’ campaign, featuring Chennai readers who were put to sleep by a newspaper full of boring news. As a comparative comeback Hindu told its readers to ‘Stay Ahead of the Times’ by reading news that mattered and was relevant to current affairs instead of Bollywood and celebrity gossip. This battle between the two publications kept going through a series of TV and Print ads.

Comparative Advertising Effectiveness

The rapid growth of comparative advertising has led to considerable focus on the relative merits of this advertising strategy. There has been an increased emphasis on the effectiveness of comparative advertising. However existing literature has resulted in some conflict and confusion concerning its potential and effectiveness.

Previous research has shown that comparative advertisements contain more information about the brand than a non-comparative advertising format (Dröge, 1989). Based on this information, consumers may become well informed and therefore make efficient choices. Comparative advertisements also tend to garner more attention and are more involving than non-comparative advertisements (Muehling *et al.*, 1990). Some studies have also explored that comparative advertising also surged at places where it was still a novelty (Nye et al. 2008)

As an advertising technique, comparative advertising allows a brand to directly compare its features with the competitor(s) and also provides the brand with an opportunity to highlight the aspects in which it believes its product to be superior. Comparative advertisements also give compulsive reasons to a potential consumer to buy a product and help her/him to take a better decision.

On the other hand, comparative advertising can also at times lead to certain negative responses (Chang, 2007). Consumers may perceive a comparative advertisement negatively because such an advertisement highlights the weaknesses of a competitor's brand while playing up the advertiser's own brand. It offers a unique platform to “push up” their brand and to “pull down” their competitors. Past studies have shown that consumers can also view comparative ads with suspicion (Donthu, 1998).

Objective

As it is clear that comparative advertisements are being used by many leading brands in India, there is a need to understand the impact of comparative advertising on consumer behavior. Whether comparative advertising works as an advertising strategy that influences the thought process of the Indian consumer needs to be understood.

The objectives of the study are:

- i) To analyze the influence of comparative advertising on the minds of the Indian consumers.
- ii) To understand impact of comparative advertising on the buying behavior of consumers.

Research Questions:

Since, there has been no clear consensus about the benefits of comparative advertising and if it provides consumers with useful information for making more rational purchase decisions, the study addresses the following research questions taking into consideration the broader perspectives of comparative advertising and the perception of consumer behavior.

- Does comparative advertising attract potential or existing consumers?
- Do consumers find comparative advertising informative?
- What is the preferred type of comparative advertising according to the consumers?
- Does comparative advertising have the potential to lead consumers to make purchase decisions?
- Does comparative advertising have any negative effects on the mind of the consumer?

Methodology

The study uses survey as a method of collecting responses from consumers with the help of a structured questionnaire. Data collection is done through a structured questionnaire administered through store-intercept technique. Random convenience sampling technique has been used. The survey is conducted across well-established shopping malls across Delhi NCR region. The consumers visiting the malls were formally approached by the researcher to carry out the survey process. A total of 172 respondents were approached, out of which a valid sample of 150 is taken into data analysis resulting in 87.2% response rate.

The sample consists of 150 respondents belonging to varying demographics in terms of age, gender, education, occupation and family income. The questionnaire is divided into two parts. The first part of the questionnaire asked about the demographic profile of the respondents and in the second part consisted of a total number of 10 questions given to elicit response from consumers regarding comparative advertising. To give a better idea to the consumers about comparative advertising three print advertisements were shown to them, out of which two were comparative and one was non-comparative in nature. A print advertisement of *Lux soap* was shown as an example of a non-comparative advertisement. *Eveready Vs Syska, Bajaj, Halonix, Surya and Havells* was shown as an example of a direct comparative advertisement and a print advertisement of *TOI Vs The Hindu* was shown as an example of indirect comparative advertisement.

The study employs descriptive statistical analysis wherein data is calculated through frequency distribution and percentages with SPSS to come out with relevant findings.

Data Analysis and Findings

Table 1. Demographic characteristics of the respondents
(N = 150)

<i>Characteristics of the respondents</i>	<i>Frequency</i>	<i>Percentage</i>
Age		
<21	11	7.4
21 – 30	66	44.0
31 – 40	45	30.0
41 – 50	22	14.6
>50	06	4.0
Gender		
Male	83	55.4
Female	67	44.6
Other	0	0
Education Level		
High School or lower	11	7.4
Graduate	58	38.6
Post Graduate	80	53.4
Others	01	0.6
Occupation		
Student	44	29.4
Government Employee	14	9.4
Private Employee	67	44.6
Others	25	16.6
Household income per annum		
< 5 Lakhs	12	8.0
5 – 8 Lakhs	32	21.4
8.1 – 10 Lakhs	79	52.6
>10 Lakhs	27	18.0

The primary data for the present study is collected from a total sample of 150 respondents (consumers). The demographic profile of the respondents consists of age, gender, education, occupation and family income.

- Out of the 150 respondents, maximum (44%) numbers of respondents were in the age group of 21-30 years, 30% of the respondents were in the age group of 31-40, 7.3% of the respondents were in the age group of less than 7.33% and minimum (4%) numbers of respondents were in the age group of more than 50 years.
- Around 55% of respondents were male and 44% were females.
- In terms of level of education, maximum (53%) number of respondents were found to be post graduates, 38% were graduates, 7% had got education till high school or lower and minimum (1.3%) was unspecified.
- In terms of occupational background of the respondents, around 44% were employed in the private sector, 29% were students, 9% were employed in the government sector and 16% were unspecified.
- The annual household income of respondents in the bracket between 8-10L was 52%, between 5-8L was around 21%, less than 5L was 8% and respondents whose annual household income was more than 10L were 18%.

Table 2. Frequency distribution of consumers' responses regarding Comparative Advertising

Question 1	<i>Do you think advertising influences your preference towards brands?</i>				
	Response (%):				
	SA (23.4)	A (50.9)	N (17.0)	DA (5.9)	SD (2.8)
Question 2	<i>Do you think comparative advertisements grab more attention than non-comparative Advertisements?</i>				
	Response (%):				
	SA (22.6)	A (50.1)	N (21.1)	DA (3.7)	SD (2.5)
Question 3	<i>Do you find comparative advertisements to be more informative than non-comparative advertisement?</i>				
	Response (%):				
	SA (22.4)	A (46.8)	N (3.3)	DA (23.4)	SD (4.1)
Question 4	<i>Is direct comparative advertising a better strategy than indirect comparative advertising?</i>				
	Response (%):				
	SA (12.6)	A (29.0)	N (22.0)	DA (25.8.)	SD (10.6)
Question 5	<i>Do you think the brands that indulge in direct comparative advertising are better than their competitors?</i>				

	<i>Response (%):</i> SA A N DA SD (11.5) (39.4) (20.1) (16.8) (12.2)
Question 6	<i>Do you think a purchase decision can be made after being exposed to a comparative advertisement?</i>
	<i>Response (%):</i> SA A N DA SD (17.0) (40.7) (22.3) (11.8) (8.2)
Question 7	<i>Do you think comparative advertisements have the capacity to make consumers switch brands?</i>
	<i>Response (%):</i> SA A N DA SD (10.3) (38.6) (24.3) (21.0) (5.8)
Question 8	<i>Do you find comparative advertisements to be confusing?</i>
	<i>Response (%):</i> SA A N DA SD (14.8) (18.7) (31.4) (18.8) (16.3)
Question 9	<i>Do you find comparative advertising to be negative or unethical?</i>
	<i>Response (%):</i> SA A N DA SD (10.3) (16.8) (20.1) (39.7) (13.1)
Question 10	<i>Do you think comparative advertising can lead to unhealthy rivalry between competing brands?</i>
	<i>Response (%):</i> SA A N DA SD (16.2) (41.2) (10.7) (17.9) (14.0)

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Where SA= *strongly agree*, A= *agree*, N = *neither agree nor disagree*, DA = *disagree* & SD= *strongly disagree*

The table above presents the frequency distribution of consumers regarding their opinions about comparative advertising as an advertising technique. There were 10 constructs that were used to assess the consumers' views regarding comparative advertisements. The responses were measured on a five point Likert Scale ranging from strongly agree to strongly disagree. The result of frequency distribution shows that in case of Question 1, majority of respondents strongly agreed (23.4%) and agreed (50.9%) that advertising influenced their preference towards brands as compared to 17% who neither agreed nor disagreed. The respondents showed a rather positive attitude towards the attention grabbing ability of comparative advertisements as 50.1% agreed and 22.6% strongly agreed to it while 3.7% disagreed to it and 21.1 % were undecided.

Information dissemination about brands characteristics also seems to be a huge benefit of comparative advertising. In case of Question 3, the frequency distribution shows that the majority of respondents agreed (46.8) and strongly agreed (22.4) that comparative advertisements seem substantially more informative to them as compared to non-comparative advertisements.

In terms of the preferred type of comparative advertising (Question 4), the respondents seemed to show a slight preference towards direct comparisons as 29.0% respondents agreed and 12.6% strongly agreed to prefer direct comparisons over indirect comparisons whereas 22% seem to be undecided and 25.6% disagreed and 10.1% strongly disagreed. In case of Question 5, the respondents showed a strong agreement towards the notion that brands that are superior to their competitors resort to direct comparative advertising as maximum respondents 39.4% agreed and 11.5% strongly agreed to it whereas 20.1 remained undecided.

In case of consumers being influenced by comparative advertisements in making purchase decisions (Question 6), majority of respondents showed a positive opinion to it as 40.7% agreed and 17.0% strongly agreed whereas 22.3% remained undecided. Moreover, in case of comparative advertising influencing consumers to switch brands (Question 7), the majority of respondents replied in the affirmative as 38.6% agreed and 10.3% strongly agreed to it, on the other hand 24.3% remained undecided and more than 21% disagreed.

While considering the negative effects of comparative advertising, 31.4% of the respondents remained undecided about the likelihood of confusion regarding comparative advertisements (Question 8) while there were an equal number of respondents who agreed and disagreed to it. In case of comparative advertising being found negative and unethical (Question 9), majority of respondents replied in the negative as 39.7% disagreed and 13.1% strongly disagreed to it, while 20.1% were undecided and 16.8% agreed that comparative advertisements were negative and unethical. On the contrary, the frequency distribution showed that majority of respondents (41.2%) agreed and strongly agreed (16.2%) to the

potential of comparative advertising leading to rivalry between competing brands (Question 10), whereas 17.9% disagreed and 14% strongly disagreed to it.

Conclusion

This study extends previous research related to comparative advertising by analyzing specifically the influence of comparative advertising on the minds of Indian consumers which is an area that hasn't been academically explored much.

In general, the study confirmed that the Indian consumers do not seem to be opposed to comparative advertising. In fact, consumers found comparative advertising messages to be very engaging and involving. This result corresponds with earlier findings of Nye et al. (2008) who suggested that comparative advertising was more effective in countries where it is relatively newer. Further, the findings also reveal that Indian consumers are of the opinion that comparative advertising has the potential to communicate more relevant information and show appropriate product attributes to consumers which can enable better decision making process.

Regarding the preferred type of comparative advertising format, direct comparative advertisements seem to attract Indian consumer more than indirect comparative advertising. This finding matches the previous statement of Chella (2007) which states that direct or explicit comparisons are preferred by consumers belonging to low context cultures which further establishes that India has slowly shifted from being a high context culture to a low context culture. Also, in markets where comparative advertising is novel, the direct format appears to be a better fit than the indirect format.

Findings also suggest that comparative advertising has the innate potential to influence Indian consumers to make purchase decisions which shows its effectiveness. Another interesting result revealed that comparative advertising also has the ability to make the existing consumers switch brands. Thus, marketers could utilize comparative advertising as a decision making tool in framing a marketing strategy to achieve the purpose of communication and to position itself successfully in the market.

This study further indicated that comparative advertising can also produce some undesirable consequences like creating confusion in the mind of the Indian consumers. However, majority of Indian consumers didn't consider comparative advertising as negative or unethical in nature but at the same time also believed that use of comparative advertising can lead to unnecessary and unhealthy rivalry between competing brands.

So, it can be concluded that comparative advertising has the potential to influence Indian consumers and has an overall positive impact on the consumers. The research also provides evidence that comparative advertisements have the strength to even persuade the loyalties of consumers of established brands. Therefore, within the confines set up by the ASCI, comparative advertising can work as successful advertising strategy in India.

Limitations and future research

The survey was limited to consumers from Delhi NCR region only. The sample analyzed was relatively small and thus does not completely enable the generalizations of the results of the study. The effectiveness of comparative advertising with a larger and more diverse sample and more methods could be used to further the research process.

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