#### Направление: «Менеджмент»

Профиль: «Маркетинговые коммуникации и реклама в современном бизнесе» КОД - 141

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### THE VALUE OF AMBIENT COMMUNICATION FROM A CONSUMER PERSPECTIVE

#### WHAT IS AMBIENT COMMUNICATION?

Marketing communications need to break through the clutter of countless commercial messages in order to influence consumers. It also needs to engage consumers emotionally or rationally (e.g., Nvilasy & Reid, 2009). Traditionally, this engagement has been driven by creative strategies focusing on either the message or the look of an ad. These strategies follow what can be called a message-is-the-message strategy, meaning that it is the content in the advertisement that communicates with the consumer. However, the practice of letting the media-be-the-message has grown rapidly (e.g., Gambetti, 2010; Rosengren & Dahlén, 2012). Advertising an insurance company on an egg, an energy bar on an elevator panel, or sparkling water on a public fountain are just a few real-life examples of the seemingly endless media options available to marketers. Studies show that such nontraditional media have the possibility to reach and engage consumers in and of themselves as they implicitly communicate advertising messages (Dahlén, 2005; Dahlén et al., 2009; Gambetti. 2010).

However, the literature on advertising in nontraditional media is rather scarce and diverse. What is more, several different concepts such as nontraditional, creative, ambient, and guerilla advertising have been used to refer to this practice. Before moving on to our hypotheses, we will briefly review this literature in order to derive at a coherent definition to use in this paper.

Dahlén and colleagues have published several articles on the topic

<sup>&</sup>lt;sup>1</sup> Подготовлена на основе: Rosengren S., Modig E., Dahlén M. The value of ambient communication from a consumer perspective // Journal of Marketing Communications, 2015, Vol. 21, No. 1, pp. 20–32.

of advertising that employs nontraditional media (*Dahlén*, 2005, 2009; *Dahlén & Edenius*, 2007; *Dahlén, Friberg & Nilsson, 2009; Dahlén, Granlund & Grenros, 2009; Rosengren & Dahlén, 2012*).

In their studies the novel placements are referred to as either creative (e.g., Dahlén, 2005; Dahlén, Friberg & Nilsson, 2009) or nontraditional (e.g., Dahlén & Edenius, 2007; Dahlén, Granlund & Grenros, 2009). In all studies, Dahlén and colleagues contrast such placements with advertising in traditional media (e.g., TV, print). Consumers' everyday lives are cluttered with advertising, and in order to cope consumers develop what Dahlén and Edenius (2007) call an advertising schema. This schema is developed based on previous experiences of advertising. It also helps consumers identify advertising by relying on their established notions of how advertising usually looks and is placed (Dahlén & Edenius, 2007). In the studies, nontraditional media is defined as advertising placed in media that challenges the advertising schema in terms of where it is placed. Examples of such nontraditional placements are the rooftop of a bus (Don't jump ad by CareerBuilder) or power plants smoke stacks (Energizer batteries; cf. Dahlén, Granlund & Grenros, 2009). Creative media, in turn, is defined as nontraditional media used as contextual cues to help communicate specific ad messages.

Ambient media and ambient advertising are two other terms commonly used to refer to this type of nontraditional media placements. *Shankar and Horton (1999)* define ambient media as 'nontraditional out of home media'. This definition aligns with what *Dahlén* calls nontraditional media choice, even though it places more emphasis on the 'out of home' aspect than the advertising schema to define what can be called as traditional or nontraditional media. *Gambetti (2010)* builds on the ambient media concept and develops what she calls ambient communication 'a complex form of corporate communication that uses elements of the environment, including nearly every available physical surface, to convey messages that elicit customer engagement'. Her definition is broad and inclusive as it includes all types of indoor or outdoor spaces that can be used to transmit brand messages. In addition, it implies that the medium used in ambient communication functions as a contextual cue in order to deliver the message and engage the consumer.

Looking at these definitions there are two important distinctions to keep in mind when defining ambient communication.

First, the distinction between traditional and nontraditional media based on whether it is perceived as unusual or new (i.e., deviates from consumers' preexisting advertising schemas; cf. *Dahlén & Edenius, 2007*). Second, whether the communication uses the medium as a contextual cue

to deliver the message (*cf. Gambetti, 2010*). In fact, *Dahlén (2005)* shows that merely utilizing a nontraditional medium will not create positive communication effects, contextual fit (or congruence) is needed. Dahlén's definition of congruent creative media thus aligns with Gambetti's notion of ambient communications.

In this paper we will distinguish between three types of media placements:

• Ambient media: nontraditional media, in which consumers are not used to being exposed to advertising, with a contextual fit between ad and medium;

• Non-ambient media: nontraditional media, in which consumers are not used to being exposed to advertising, and no contextual fit between ad and medium;

• Traditional media: media in which consumers are used to being exposed to advertising.

Before moving on to the hypotheses we will briefly relate our conceptualization of ambient communications to guerilla marketing. Guerilla marketing, which was introduced by *Levinson* (1984), refers to advertising strategies that use various media in small, surprising attacks utilizing creativity and imagination (Ay et al., 2010).

We consider many of the initiatives defined as guerilla marketing to be examples of ambient media, since they often use nontraditional congruent media in order to engage consumers. However, the focus on small media budgets and surprise is unique for the guerilla-marketing concept within ambient communication. In our mind, ambient communication denotes campaigns built around nontraditional and contextually fitting media. The budgets for such campaigns can range from small (e.g., guerilla marketing) to large (e.g., with mass media campaigns and/or events built around them).

# AMBIENT COMMUNICATION AND CONSUMER ENGAGEMENT

In this paper we hypothesize that the positive communication effects of ambient communication are driven by customer engagement in terms of perceptions of advertising value and consumer care. More specifically, we argue that the communication effects of using ambient media are driven by the contextual fit between the nontraditional medium and the advertising message rather than its novelty. Furthermore, we argue that contemporary consumers appreciate the extra effort required to come up with ambient communications and interpret it as a sign of a company that cares about it customers.

Our theoretical reasoning is based on the literature on advertising value (e.g., Ducoffe & Curlo, 2000; Rosengren & Dahlén, 2013). According to this literature, advertising can be thought of as an exchange between advertisers and consumers (Ducoffe, 1995; Duncan & Moriarty, 1998). Consumers give their time and cognitive effort to advertising and thus expect to receive something of value in return. As an illustration, the main value components of (traditional) advertising have been found to be entertainment and information (Ducoffe, 1995). If the perceived value of advertising is low consumers typically react negatively (by tuning out and/or evaluating the ad unfavorably), and if it is high they react positively (Rosengren & Dahlén, 2013).

Dahlén, Granlund, and Grenros (2009) argue that thinking of advertising in terms of an exchange of value should be especially important in nontraditional media. Traditional media can be regarded as a negotiated space in which consumers have learned to encounter and accept advertising in exchange for, for example, more entertaining TV programming or more informative newspapers (Dahlén & Edenius, 2007). This negotiation is taken for granted and consumers have adjusted their behaviors and expectations to it. Outside traditional media, however, new negotiations are needed. This means that consumers are more likely to be attentive to the appropriateness of advertising when encountering an ad in a nontraditional medium than in a traditional medium. A similar logic has been proposed by Rosengren (2008) in her discussion of advertising clutter: although marketers might be able to find less cluttered spaces outside the realms of traditional media, acceptance for messages in such spaces is affected by consumer perceptions of their intrusiveness.

A key determinant of the value of nontraditional media to consumers should thus be whether the placement is deemed as appropriate or intrusive. This judgment should, in turn, be affected by the fit between the nontraditional medium being used and the ad. In fact, the appropriateness of a nontraditional medium has been found to impact consumer-perceived communication value (*Dahlén, Granlund & Grenros, 2009*). Several researchers have also shown that nontraditional media need to fit with the advertising message in order to create positive reactions (*e.g., Dahlén, 2005; Dahlén, Granlund & Grenros, 2009*) and that as few as one or two messages placed in nonfitting contexts could be enough to provoke negative reactions (*e.g., Dahlén, Granlund & Grenros, 2009; Rosengren, 2008*). Although consumers who are facing advertising in a nontraditional medium might find it interesting in itself due to its surprise value (*cf. Dahlén, 2005*), we believe that if the placement does not make sense or contribute to the message consumers will not perceive the new

placement to offer any value. While merely placing an ad in a nontraditional medium might be seen as a way for the advertiser to avoid the clutter in traditional media, an ambient media choice, where the nontraditional medium is creatively chosen to implicitly communicate the brand message, would be regarded as an effort that offers value to the consumer. Thus, we hypothesize:

**Hypothesis 1**: Ambient media choice increases perceived advertising value compared to traditional or non-ambient media choice.

The use of ambient media should affect the consumers' perceptions not only on behalf of the value of the advertisement but also on behalf of the advertised brand. This reasoning is based on marketing signal theory (e.g., Dahlén, Rosengren & To'rn, 2008; Rosengren & Dahlén, 2012). Advertising has been shown to work as a marketing signal on which consumers draw conclusions about the brand. For example, a more expensive advertisement signals greater confidence and a more creative concept greater effort, which, in turn, affects brand perceptions favorably (Dahlén, Rosengren & To'rn, 2008; Kirmani, 1990). We believe that using an ambient medium sends a similar signal. Considering the advertising fatigue and marketing savvy of today's consumers (Rosengren, 2008), we expect that the way a brand advertises may send signals not only about its ability (e.g., Dahlén, Rosengren & To'rn, 2008; Rosengren & Dahlén, 2012) but also about its intentions. More specifically, we expect that advertising could also signal that the sender cares for the consumer.

Breaking the routine and going beyond traditional media shows that the brand is willing to devote more effort and go the extra mile. Thinking out a way to fit advertising into the consumer environment shows that the brand is willing to work hard in order to deliver value to the consumer (*Rosengren & Dahlén, 2012*), which would make consumers perceive the brand to care more about their consumers. By using a nontraditional medium creatively the brand uses the extra effort to enhance advertising value for consumers, which would signal that it understands and cares about them. Thus, we hypothesize:

**Hypothesis 2**: Ambient media choice increases perceived consumer care compared to traditional or non-ambient media choice.

In their study of consumer-perceived value of nontraditional communication *Dahlén, Granlund, and Grenros (2009)* define consumer-perceived value as 'a cognitive assessment of the value consumers derive from the ad that focuses both on what the advertiser gains (e.g., positive evaluations) and what the consumer receives'. Our hypotheses so far

suggest that ambient communications create an equitable exchange in which the consumer gets advertising value (H1) and the brand benefits in terms of positive perceptions of consumer care (H2). In addition, we also expect that consumer will appreciate this exchange and come to rate the brand more favorably and become more prone to buy its product as a consequence. More specifically, we hypothesize:

**Hypothesis 3**: Perceived advertising value and perceived consumer care mediates the communication effects of ambient media choice.

#### Method

The hypotheses were tested in an experimental study in which the same advertisement was placed in three different media (ambient, non-ambient, and traditional). Participants (n = 293, 58% female, average age = 40 years) were recruited in the waiting lounge of a large metropolitan train station and randomly allocated to one of the experimental conditions.

#### Stimuli

In the study, each participant was exposed to a photograph of an ad for a mock brand (brand logo + ad message) placed in a specific medium. The ad was the same in all conditions, but the medium used was varied in accordance with our hypotheses. After viewing the ads, participants were asked about their reactions to the advertising and the brand. This approach is the same used in previous research on nontraditional media (*e.g.*, *Dahlén*, 2005; *Dahlén*, *Granlund & Grenros*, 2009).

Several pretests were employed to come up with the stimuli. In the pretests different ad placements for several sample ads (and brands) were rated in terms of how novel, congruent, and comprehendible they were (cf. Dahlén 2005). More specifically, novelty of the ad placements was assessed using an overall judgment of creativity (1 = not at all creative; 7 = very creative), congruence in terms of perceived fit between the ad and medium (1 = does not fit at all; 7 = fit very well), and comprehension in terms of understandability (1 = easy to understand why the ad was placed here; 7 = difficult to understand why the ad was placed here). To ensure ecological validity, the nontraditional media included in the pretests were sampled from academic research and real-world examples of ambient media.

Based on these pretests an ad for a (mock) coffee chain with the ad message 'Time for a coffee break' advertised on a clock, on a dog, or in a newspaper was selected for the main study. A final pretest (n = 30) showed that that placing the ad on a clock (M = 5.53) or a dog (M = 4.93)

was perceived as significantly more novel than placing it in a newspaper (M = 3.00, p < 0.01). However, the two nontraditional media choices were significantly different in terms of congruence (Mclock = 5.5 vs. Mdog = 1.5, p < 0.01) and comprehension (Mclock = 6.2 vs. Mdog = 3.8, p < 0.01). In line with what could be expected, the newspaper ad was neutral when it comes to congruence (M = 4.3) and comprehension (M = 3.8). Based on these results the clock was used as our ambient condition, the newspaper as our traditional condition, and the dog as our non-ambient condition (please refer to *Appendix* for the actual stimuli).

### Measures

Perceived advertising value was measured with three items answered on a seven-point scale (1 = do not agree; 7 = agree): 'The advertising is of value to me', 'The advertising is interesting', and 'The advertising is worth my attention' ( $\alpha = 0.91$ ).

Perceived consumer care was measured with four exploratory items: 'The brand cares about their consumers', 'The brand makes an effort on behalf of their consumers', 'The brand is consumer-focused', and 'The brand is caring' ( $\alpha = 0.92$ ). Answers were given on a seven-point scale (1 = do not agree; 7 = agree).

Communication effects were measured as brand attitudes and brand purchase intentions.

Brand attitude used a three-item, seven-point semantic differential: good/bad, positive/ negative, favorable/unfavorable ( $\alpha = 0.94$ ). Purchase intentions used a seven-point Likert scale and three items: 'I want to try this product', 'I want to buy this product', and 'I would consider buying this product' ( $\alpha = 0.94$ ).

Although not in our hypotheses, we also assessed perceived surprise of the ad placement using the following two items: 'The placement of the advertising is surprising' and 'The placement of the advertising is unexpected' (1 = do not agree; 7 = agree). This measure was included as previous research has found it to mediate the communication effects of nontraditional media placements (*Dahlén, 2005*) and thus we wanted to include it in our assessment of the mediating effects of advertising value and consumer care.

### Results

An initial MANOVA produced a significant effect of our manipulation on all the dependents (F = 3.45, Wilks'  $\lambda$  = 0.91). Planned contrasts were then used to test the hypotheses individually (*Table 1*).

Supporting the hypothesis that ambient media choice increases

perceived advertising value (H1), participants' ratings of the ambient medium (M = 3.31) were significantly higher (p < 0.01) than the ratings of both the traditional medium (M = 2.64) and the non- ambient medium (M = 2.72). Also, supporting the hypothesis that ambient media choice increases perceived consumer care (H2), participants' ratings of the ambient medium (M = 3.80) were significantly lower (p < 0.01) than the ratings of both the traditional medium (M = 3.26) and the non-ambient medium (M = 3.13).

Similar patterns were found for brand attitude and brand purchase intention, where the ambient medium rated higher than both the traditional medium and the non-ambient medium (please refer to *Table 1*). We used *Sobel's (1982)* equation to test whether advertising value and consumer care mediated the impact of the ambient media choice on these two brand communication effects (H3). Comparing the raw coefficient and standard error of advertising value when entered into a regression parallel with the ambient media choice, it was found to significantly mediate the impact on both brand attitude (z = 2.75, p < 0.01) and brand purchase intention (z = 2.76, p < 0.01). Similarly, consumer care significantly mediated the impact of the ambient media choice on brand attitude (z = 3.45, p < 0.01) and brand purchase intention (z = 3.45, p < 0.01) and brand purchase intention (z = 3.45, p < 0.01).

In order to further test the proposed mediation we also ran an additional mediation analysis using Preacher – Hayes approach (*cf. Zhao, Lynch & Chen, 2010*). To align with *Dahlén (2005)*, perceived surprise was included as a third mediator. The test showed a significant mean indirect effect from the bootstrap analysis for advertising value 0.10 (95% CI: 0.04 - 0.18) and consumer care 0.18 (95% CI: 0.07 - 0.30). However, perceived surprise did not have any significant mediating effect. The latter finding is unexpected and runs contrary to *Dahlén (2005)* and we will discuss it further below.

Table 1. Plained contrast			
	Ambient	Traditional	Non-ambient
Advertising value	3.31 <sup>a</sup>	2.64 <sup>b</sup>	$2.71^{b}$
Consumer care	$3.80^{a}$	3.26 <sup>b</sup>	3.13 <sup>b</sup>
Brand attitude	3.98 <sup>a</sup>	$3.50^{b}$	3.14 <sup>b</sup>
Brand purchase intention	$3.20^{a}$	$2.82^{c}$	$2.77^{c}$

Table 1. Planned contrast

Note: a > b at p < 0.01, a > c at p < 0.05.

### DISCUSSION

The current study set out to investigate ambient communication from a consumer perspective. More specifically, we wanted to explore

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whether advertising using contextual elements to communicate a message would be perceived as offering a higher advertising value and be taken as a sign of a brand that cares about its consumers. Our findings suggest that this was the case. The same ad generated higher advertising value and more positive perceptions of consumer care when placed in an ambient rather than traditional or non- ambient medium. Both perceptions of advertising value and consumer care were also found to mediate the positive effects of ambient communications on brand attitudes and brand purchase intentions. Taken together our findings show how the exact same ad message placed in a more or less appropriate setting leads to different reactions.

Theoretically, the study extends previous research on ambient communications in several ways. First, by focusing on consumer perceptions of advertising value we highlight the need for marketers to be mindful in their use of nontraditional media. Congruence is vital for creating customer engagement as indicated by the different reactions caused by our ambient and non-ambient conditions. These differences clearly show that consumers do not appreciate marketers using any nontraditional media. Marketers must ensure the ambience (contextual fit) between an ad and the environmental element used to communicate it. In traditional media consumers have established schemas to rely on when dealing with advertising, but in nontraditional media the appropriateness of placing advertising in a specific setting is constantly being negotiated (cf. Dahlén & Edenius, 2007). In these negotiations consumers seem to call for equitable exchanges, in which both parties have to gain. Although marketers could possibly benefit by attention-getting campaigns in nontraditional media, these are not necessarily adding anything to consumers.

We believe that the nonsignificant mediation of perceived surprise further support this notion. When *Dahlén (2005)* conducted his studies, advertising in nontraditional media was not as common as it is today. Probably, the mediation he found was caused by a novelty effect. Seeing advertising using environmental elements created a surprise value in itself. Today, surprise is no longer enough and a mutually equitable exchange is needed to get the most out of nontraditional media. The aim of ambient communication is increasingly to get consumers to approach advertising. And, creating advertising value is an important prerequisite to achieve this.

The current study also makes a conceptual contribution to the literature on ambient communications. To date, a number of similar concepts such as nontraditional, ambient, and creative media have been

used to refer to the practice of using environmental elements as media in advertising (Gambetti, 2010). We argue that although all these media could be characterized as nontraditional, the conceptual fit or congruence between the medium used determines whether the communication will be ambient or not. In our mind, ambient communication refers to a novel and congruent use of nontraditional media. This notion is commonly used in the growing research on advertising creativity (Dahlén, Rosengren & To rn, 2008; Sasser & Koslow, 2008). What we refer to as congruence relates to what several authors call the relevance dimension of creativity (e.g., Sasser & Koslow, 2008; Smith et al., 2007). It is the combination of a novel and a congruent/relevant medium that makes it ambient. In creating ambient communications, marketers should thus find the creative tools identified by Goldenberg et al. (2009) useful.

It should be noted that the limits of what is seen as ambient is open to negotiation. Placing an ad on a dog need not be non-ambient per se. However, the message should be adapted to fit with the medium to ensure that consumers are able to make sense of it. An example would be 'coffee to go'. For this message the dog could serve as a contextual cue, which would probably be of interest for dog owners out on morning walks. The key consideration for marketers is to make sure that the advertising is integral rather than disruptive to the environment.

A final contribution lies in the fact that our effects go beyond those of processing of the advertising and the message to consumers' metaprocessing of the sender's intentions. The current study shows that ambient communications sends a message about how much the brand cares about consumers. This message goes beyond the explicit message in the actual ad. This finding indicates that marketers should think about how and where they say something as well as what they say. In so doing, it extends the growing body of research on advertising signals, which to date has focused mainly on perceived brand ability (e.g., Dahlén, Rosengren & To rn, 2008; Rosengren & Dahlén, 2012). We believe that more advertising fatigue and marketing-savvy consumers will be more inclined to use marketing communications as a signal of a brand's intentions. If this is the case the notion of equitable exchange in advertising will grow even more important. One can speculate that in today's overcrowded marketplace it may be more important to focus on the why rather than the what in communications. In a time where there is no end to all alternatives available to consumers, it is virtually impossible to offer anything truly unique in your product. Instead, consumers prefer exchanges with brands that they believe care for them and who they therefore trust will make higher quality products (cf. Edelman Trust, 2013). Brands therefore need

to advertise accordingly, facing the double challenge of earning consumers' attention and signaling that they offer something extra, not in what they say, but how and why they say it.

### Questions for your consideration

1. What hypotheses were proposed in the article? What scientific methods were applied to investigate each of these hypotheses? Were the results formulated and reasoned correctly in the article? Please, explain your opinion.

2. Engagement is one of the key concepts used in the article. Engagement presupposes effective advertising message processing. Could you comment on attention and emotion in advertising message processing. What theoretical notions may be applied in this context?

3. What are the advantages and disadvantages of ambient media compared to other media for brand promotion taking into account various types of consumer involvement and attitudes?

4. Describe the place and role of ambient media in comparison with other marketing communication tools within the concept of the marketing funnel (or the sales funnel)?

5. Some experts consider ambient media as a type of outdoor (outof-home) advertising. What are the main trends of development and measurement of outdoor (out-of-home) advertising in the Russian advertising market?

6. Could you please suggest new directions (that are not mentioned in the article) for further research of ambient media?

## Appendix

Ambient medium

Non-ambient medium



Traditional medium



Note: All pictures were in color. The ad (message + logotype) was identical in all three conditions.