# Направление: «Менеджмент»

### Профиль:

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

# Время выполнения задания – 180 мин.

Прочитайте статью<sup>1</sup> и сделайте её критический анализ на русском языке.

# Watch it! The Influence of Forced Pre-Roll Video Ads on Consumer Perceptions

# **1. INTRODUCTION**

The internet is the fastest growing advertising segment in the world (*Gambaro, Puglisi*, 2012). One specific online advertising format that is growing very rapidly is online video advertising. This advertising format owes its explosive growth to the rapid acceleration of online video viewing and is currently the fastest growing advertising format (*eMarketer, 2012; Science Daily, 2013*). A comparative study indicates that online video ads show a higher impact on recall and ad likeability than TV ads (*IAB, 2013*).

There are various appearances of these video ads. They can be placed before, during or after the watching of an online video, so called pre-, mid- or post-roll video ads. They also vary in length, the amount of control a user has over the ad, and in content. However, despite the booming market of online video advertising there is an ongoing trend of ad avoidance. Especially video advertising is a format that encounters a lot of opposition and avoidance. Due to this avoidance, video advertisers lose the opportunity to communicate their message to consumers (*Teixeira et al., 2012*). As internet users are usually more goal oriented when searching for a video on YouTube compared to television viewers, internet ads are therefore perceived as more intrusive than ads in traditional media (*Li et al., 2002*).

Considering the fact that ads interrupt a consumer's goal, this may lead to undesirable outcomes like irritation, negative attitudes towards the ads, and a wish for ad avoidance (*Krugman, 1983*), what eventually influences consumer behaviour (*Keller, 1993*). In academic literature only little research on online video advertising can be found. The aim of this study is to close this gap a bit further and investigate how functional features of pre-, mid- and post-roll video-ads, length and skipping control, as well as content-related features, appeal and contextual overlap, influence the perceptions of viewers.

## **2. THEORETICAL FRAMEWORK**

The goal of online advertising is to interrupt the flow of editorial content and attract the attention of web users (*Ha, 1996*). As this interruption disrupts users' train of thought it is often considered as intrusive (*McCoy et al., 2008*). Users perceive online ads as disturbing (*Reed, 1999*) or even annoying (*McCoy et al., 2007; McCoy et al., 2008*) and therefore detracting from their online experience. As users are in general more goal oriented when searching content online, a pre- roll ad interrupts their flow as they are deterred from achieving their goal. Thus, a perception of intrusiveness occurs as well as a feeling of losing freedom and control in conducting their desired task due to exposure to the intrusive ad (*Morimoto, Chang, 2006*). Additionally, the interruption that is created by online advertising like banners, interstitials, popups has been found to negatively affect consumers' attitudes towards the ads (*Rettie, 2001*) leading to ad avoidance (*Abernethy, 1991; Krugman, Johnson, 1991*). MacKenzie and Lutz (*1989*) show that ad intrusiveness transfers to negative brand perceptions, therefore even derogating the brand image.

<sup>&</sup>lt;sup>1</sup> Подготовлена на основе: Hegner S.M., Kusse D.C., Pruyn A.T.H. Watch it! The Influence of Forced Pre-Roll Video Ads on Consumer Perceptions / In: *Advances in Advertising Research (Vol. VI)*. Verlegh P., Voorveld H., Eisend M. (Eds.). 2016. P. 63-73.

McCoy et al.'s (2008) study indicates that the control to remove an ad reduces perceived intrusiveness. Gaining back the feeling of control by allowing the user to skip the ad might result in lower perceived intrusiveness, and therefore less damage to users' perceptions. Psychological reactance theory by Brehm (1966) states that an individual is motivated to re-establish freedom in a state of perceived loss of control. By offering a skip-button users regain their feeling of control. Hence, the following hypotheses are proposed:

**H1a**: The opportunity of skipping a pre-roll video ad leads to lower perceived intrusiveness than a pre-roll ad that cannot be skipped.

**H1b**: The opportunity of skipping a pre-roll video ad leads to a higher attitude towards the ad than a pre-roll ad that cannot be skipped.

**H1c**: The opportunity of skipping a pre-roll video ad leads to a higher attitude towards the brand than a pre-roll ad that cannot be skipped.

Exposure length has received much research attention in the context of television advertising (e.g. Wheatly, 1968; Rethans et al., 1986; MacInnis, Jaworski, 1989; Singh, Cole, 1993). Though the outcomes are controversial, the overall tendency leans towards favouring longer commercials. Shorter commercials seem to limit the viewers' opportunity to elaborate the commercials and the opportunity to process the ad declines, while longer commercials enable a consumer to realize the message's argument and its favourable implications (Singh, Cole, 1993).

Considering exposure length of online pre-roll video ads large variation is noticed. Exposure length can vary from only a few seconds to over a minute. A common way of informing a viewer about the length of a video ad is to present this information directly in the video screen with counting down numbers.

Edwards et al. (2002) find no significant difference in intrusiveness for pop-ups containing moving images as well as sounds between 10 and 20 seconds ads. Though, they attribute the insignificance of their findings to a lack of manipulation of length. Nonetheless, support for the idea that a longer involuntary exposure to an online ad creates longer interruption and thus higher intrusiveness is found in the study by Cho and Cheon (2004). The authors argue that perceived goal impediment through a long video ad is the most important factor in causing feelings of intrusiveness and irritation for consumers confronted with internet ads. In turn, these feelings of annoyance and intrusiveness can result in negative attitudes toward the ad, which can then affect brand perceptions and attitudes and lead to ad avoidance (Kelly et al., 2010). To minimize the negative effects, a shorter pre-roll video ad seems to be favourable compared to a longer version. Hence, we propose:

H2a: A long pre-roll video-ad leads to higher perceived intrusiveness than a short video ad.

**H2b**: A short pre-roll video ad leads to a higher attitude towards the ad than a long video ad.

**H2c**: A short pre-roll video-ad leads to a higher attitude towards the brand than a long video ad.

Regarding content-based features of pre-roll video ads, two attributes play a major role, namely appeal of the video ad and contextual overlap. Emotional appeals are widely used in advertising due to their positive effects on consumer reactions towards these advertisements (*Biswas et al., 1992*). People experience emotions when their personal interests are concerned (*Teixeira et al., 2012*). Applying emotion regulation theory to the context of pre-roll video ads it can be stated that an emotional appeal of such a video ad provides value to the viewer and therefore activates the goal to continue exposure (*Plutchik, 1980; Teixeira et al., 2012*). When ads are perceived as valuable they elicit less irritation and avoidance (*Pasadeos, 1990*). This in turn leads to less psychological reactance and perceived intrusiveness, including less detrimental effects on the attitude towards the ad and the respective brand. Edwards et al. (2002) show that the entertainment level of an ad is negatively related to its perceived intrusiveness, therefore this study proposes the following hypotheses:

**H3a**: A pre-roll video ad with a higher positive emotional appeal leads to less perceived intrusiveness than a video ad with a less positive emotional appeal.

**H3b**: A pre-roll video ad with a higher positive emotional appeal leads to a higher attitude towards the ad than a video ad with a less positive emotional appeal.

**H3c**: A pre-roll video ad with a higher positive emotional appeal leads to a higher attitude towards the brand than a video ad with a less positive emotional appeal.

Besides the emotional appeal of an online ad, the contextual overlap of an advertisement with its surrounding environment is of importance. Research on the contextual overlap of TV ads shows that when ads are consistent on an emotional level with the TV program, they elicit more favourable attitudes (*e.g. Kamins et al., 1991; Coulter, 1998*). The same effect was found for product placement, where incongruent placements result in negative brand attitudes (*Russell, 2002*). From psychological literature it can be drawn that congruent information fits with the category schema of consumers, therefore creates less psychological reactance, and more favourable attitudes (*Mandler, 1982; Braun-LaTour et al., 2007*).

Studies in the context of online advertising, specifically pop-ups and banners, show that website congruent ads are perceived as less intrusive and result in more positive attitudes towards these ads (*Edwards et al., 2002; Moore et al., 2005*). Ads that are congruent with current expectations and cognitive activities are perceived as positive social influences and therefore offer value to the viewer. Hence, we propose:

H4a: A pre-roll video ad with a higher contextual overlap leads to less perceived intrusiveness than a video ad with less contextual overlap.

**H4b**: A pre-roll video ad with a higher contextual overlap leads to a higher attitude towards the ad than a video ad with less contextual overlap.

**H4c**: A pre-roll video ad with a higher contextual overlap leads to a higher attitude towards the brand than a video ad with less contextual overlap.

## 3. METHOD

In order to test the hypotheses two distinct  $2x^2$  between-subject experiments are conducted. Experiment 1 focuses on the length of the pre-roll video ad as well as the control the user has on skipping the video ad. Experiment 2 examines the two content-related factors, emotional appeal of the pre-roll video ad and its contextual overlap with the following video.

#### **3.1. Procedure and Respondents**

Every respondent in the study saw either one condition of experiment 1 or of experiment 2. 136 completed surveys were obtained for experiment 1 and 120 completed surveys were reported for experiment 2. Gender and age was equally distributed through all the conditions. The study was set up as an online survey.

A website was designed for the purpose of this research. First, respondents were given the task to search for a specific video on YouTube. When respondents clicked on the respective video, they were randomly assigned to one of the experimental conditions. After watching the video, the respondents were instructed to close the video and start the questionnaire.

## **3.2. Manipulation and Measures**

For experiment 1 length and skipping of the ad was manipulated. The most acceptable length of an online ad is 15 seconds (*Poll Position, 2012*). However, it is unknown if this also applies specifically to pre-roll video-ads. In this experiment the choice was made to compare a shorter 15-second pre-roll video- ad with a longer 60-second version. This large difference is also chosen to reassure that there is an actual perception of difference in length, as this was not achieved with a shorter length in the study of Edwards et al. (2002). A pretest confirmed that the 60-second ad was perceived as significantly longer than the 15-second ad. The content of the ad was exactly the same just shortened in length. The video ad was derived from an original commercial and fitted for this experiment by editing length and layout. For the skipping conditions a skip- button was either in- or excluded in the pre-roll video ad.

In experiment 2 two different ads as well as two different YouTube videos as context were chosen. The length of all video ads was exactly 30 seconds, edited like in experiment 1. The ads were chosen based on their emotional appeal. The video ad from experiment 1 presented the condition with low emotional appeal, while a second ad was chosen to present the condition with high emotional appeal. This manipulation was checked in a pretest with the two-item scale of Hartmann and Apaolaza-Ibanez (2013), indicating that there is a significant difference in emotional appeal between the two selected commercials. Additionally, the contextual overlap was pretested by a scale from Choi and Rifon (2002). The pretest results confirmed that this manipulation was successful as well.

The questionnaire started off with several filter questions to check whether the participant saw the pre-roll video ad and also recognized the skip button (if present). Afterwards manipulation check questions from the pretest were included followed by seven items measuring intrusiveness. The scale was obtained from Li et al. (2002) showing high reliability: experiment 1:  $\alpha$ =0.92; experiment 2:  $\alpha$ =0.93. Three items measured attitude towards the ad (AA), additional three items measured attitude towards the brand (AB). Both scales were validated by MacKenzie and Lutz (1989) and achieved high reliability: experiment 1: AA  $\alpha$ =0.90; AB  $\alpha$ =0.92, experiment 2: AA  $\alpha$ =0.90; AB  $\alpha$ =0.92. The questionnaire ended with general demographics.

# 4. RESULTS

Hypotheses were tested by using multivariate analyses of variances. Means and standard deviations of the two experiments are summarized in Table 1. The respective F-values and p-values of the main effects as well as the interaction effects are found in Table 2.

The results of experiment 1 show a main effect for length of pre-roll video ad on intrusiveness. The longer a video ad, the more intrusive it is perceived, therefore H1a is confirmed. There was no main effect of length on attitude towards the ad or attitude towards the brand therefore H1b and H1c are not confirmed. No main effect of control was reported for any of the dependent variables, therefore H2a, H2b, and H2c need to be rejected. It seems that offering the viewer control over the ad by skipping the content has no effect on perceived intrusiveness or attitude towards the ad and the brand. Furthermore, no significant interaction effects of length and control are found.

Experime nt 1	Short ad (15 sec)	Long ad (1 min)	With control	Without control
Intrusive ness	3.62 (1.48)	4.21 (1.74)	3.92 (1.58)	3.92 (1.71)
Attitude towards ad	4.76 (1.52)	4.60 (1.56)	4.56 (1.67)	4.81 (1.39)
Attitude towards brand	5.75 (1.14)	5.69 (1.14)	5.83 (1.15)	5.60 (1.11)
Experime nt 2	High emotiona l appeal	Low emotional appeal	With overlap	Without overlap
Intrusive	2.42	1.00		
ness	3.42 (1.30)	4.39 (1.42)	3.60 (1.42)	4.20 (1.41)

# Means and standard deviations of the experiments

Table 1

Experiment 1	Length	Control	Length x Control
Intrusiveness	F = 4.46	F = .00	F = .42
	p = .03	p = .99	p = .52
Attitude towards ad	F = .37	F = .90	F = .29
	p = .55	p = .34	p = .59
Attitude towards brand	F = .12	F = 1.43	F = .38
	p = .73	p = .23	p = .54
Wilk's $\Lambda$ (partial $\eta 2$ )	.96 (.41)	.97 (.38)	.99 (.14)
Experiment 2	Appeal	Overlap	Appeal x Overlap
Intrusiveness	F = 15.51	F = 5.33	F = .50
	<i>p</i> < .001	p = .02	p = .48
Attitude towards ad	F = 19.29	F = 2.65	F = 4.51
	<i>p</i> < .001	p = .11	p = .04
Attitude towards brand	F = 3.73	F = 0.24	F = .75
	p = .06	p = .62	p = .39
Wilk's $\Lambda$ (partial $\eta 2$ )	.83 (.99)	.95 (.53)	.93 (.67)

# Results of the main effects and interactions of the MANOVA

The results of experiment 2 show no effect of appeal on intrusiveness and attitude towards the ad. Therefore, hypotheses H3a and H3b are not confirmed. The main effect of appeal on attitude towards the brand is only marginally significant at a .10 significance level. Nevertheless, regarding the means it becomes clear that a more emotional ad is perceived as less intrusive and generates a more favourable attitude towards the ad as well as towards the brand.



# Figure 1. Interaction effect of appeal and overlap on attitude towards the ad

Further, a main effect of contextual overlap on perceived intrusiveness was found, therefore confirming H4a as contextual overlap leads to less perceived intrusiveness than incongruence of ad and content of the actual video. No significant difference was found between contextual congruence and incongruence for attitude towards the ad and attitude towards the

Национальный исследовательский университет «Высшая школа экономики»

6

brand, therefore H4b and H4c cannot be confirmed, although the means indicate in the proposed direction. Additionally, an interaction between appeal and control is reported for attitude towards the ad. As displayed in Figure 1 in case the emotional appeal is low contextual overlap has a higher influence than when the emotional appeal is high. In case of low emotional appeal contextual congruence leads to a higher attitude towards the ad than in case of contextual incongruence.

#### 5. DISCUSSION

This paper analyzed the effects of four characteristics of pre-roll video ads on viewer's perceived intrusiveness, attitude towards the ad, and attitude towards the brand in the ad. By conducting two separate experiments we found a significant effect of length of the video ad on perceived intrusiveness. A 60-seconds video ad is perceived as significantly more intrusive compared to a 15-seconds video ad. Nevertheless, the length of the video ad did not influence viewer's attitude towards the ad or attitude towards the displayed brand. No effect of skipping control was reported. So, it seems that offering viewers a skip button does not influence their perceived intrusiveness, attitude towards the ad, or attitude towards the brand. These results implicate major managerial recommendations. Length of the video ad represents a critical factor for marketers. If an ad is too short, a company might miss the chance to communicate its message as it limits viewers' opportunity to elaborate on the commercial and a processing of the actual message will be less feasible. While if a video ad is too long, viewers have the opportunity to realize the message arguments and implications, but intrusiveness could be raised.

As offering a skip button does not influence viewers' perceptions of the ad or the brand, a skip button seems to be obsolete. It might be that the skip button is not attributed to the ad or the brand but rather to the website that is using pre-roll video ads like YouTube. So offering a skip button might reflect positively on the website providing pre-roll video ads but as this research shows not on the ad or the brand. This observation needs further investigation for proof.

Looking at the results of experiment 2, our research shows that the content of a pre-roll video ad has major influence on viewers' perceptions. First of all, we tested the influence of the emotional appeal of the video ad and found significant main effects on perceived intrusiveness and attitude towards the ad. A higher emotional appeal is perceived as less intrusive and leads to a higher attitude towards the brand than a lower emotional appeal. Regarding the contextual overlap of the pre-roll video ad and the subsequent video, our study shows a significant main effect of contextual overlap on intrusiveness. If the pre-roll video ad and the subsequent video imply content congruency the pre-roll video ad is perceived as less intrusive.

Furthermore, an interaction effect of emotional appeal and contextual overlap on attitude towards the ad was reported. In case of an emotionally appealing video ad, contextual overlap does not play a role for the attitude towards the ad. Though, if the emotional appeal is low, attitude towards the ad is significantly higher in case a contextual overlap between ad and subsequent video is present.

This research presents a first starting point for a better understanding of the influence of pre-roll video ads on viewers' perceptions leaving many opportunities for further investigation, for example contrasting the results to the effects of mid- or post-roll video ads, or investigating the effect of contextual overlap between positive and negative subsequent video content.

# **Questions for your consideration**

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

2. Emotional appeal is the key concept used in the article. What academic theories and methodological developments of practitioners associated with these concepts do you know?

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

4. Whether pre-roll video ads on YouTube as marketing communication tool has broad or narrow audience reach? What concepts of advertising reach / frequency do you know and what of them may be applied in this context?

5. What are the main global and Russian trends of development and measurement of online video advertising market?

6. Many teenagers are YouTube viewers. Are you aware of any restrictions related to their protection from the negative advertising impact established by Russian Federal Law on advertising? Please, substantiate your point.

7. Could you please suggest new directions (that are not mentioned in the article) for further research of the phenomena that are discussed in the article? Could you formulate your own research hypotheses for further investigation?