What is the Role of TV Commercials in the Trans-Media Era?

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Abstract

Objective: This study is focused on verifying the role and effectiveness of traditional media in terms of brand management to determine ways to effectively manage a variety of media in the trans-media era. **Methods/Statistical Analysis:** In this study, a hybrid mode comprising the concurrent use of TV commercials and online advertising and an online-only mode, which utilized only online advertising, were compared according to typical brand performance indices including brand awareness, brand preference, purchase intention, and brand image. **Findings**: The results of this study show that the hybrid mode has statistically significant higher performance in all brand indices than the online-only mode. This study provides some important implications in the context of the dwindling role of traditional media under the impact of new media, in so far as traditional media is revealed to be an important strategy even today. **Improvements/Applications:** The development of marketing communication strategies should take into account both the management of brand performance as a long-term aspect and the leading of customer buying behavior as a short-term aspect of comprehensive advertising plans in the trans-media era.

Keywords: Brand Awareness, Emotional Image, Functional Image, Trans-Media Communications, TV Commercial

1. Introduction

The development of digital technology has led to changes in media formats. The trans-media era has come to mean that various media coexist and integrate in complicated processes where in traditional media and new media collide and conflict, as well as fuse and as simulate. The concept of trans-media appropriates the meaning of "transcendence" beyond the simple combination of traditional media and new media through technology and networking systems[1]. Thus, unlike a multi-channel strategy that simply aims to expose brand messaging to a greater number of consumers, the trans-media era needs the synergy effects of media convergence to induce consumer partici-pation. Considering the fact that various forms of media evolve together on the basis of complementary functional traits, effective and comprehensive media management becomes even more important in the trans-media era.

Due to limited marketing budgets, however, most practitioners tend to concentrate on online advertising and mobile advertising instead of considering the use of complex media convergence. In fact, some practitioners have begun to reduce resources for traditional media channels such as TV commercials, switch their marketing agencies from traditional agencies to digital companies, or pursue only digital advertising campaigns. As performance marketing based on consumer online traffic and purchasing data has taken the spotlight, the budgeting of

marketing resources has increasingly moved away from traditional media in favor of new media.

Online advertising (as a representative of new media) has overcome initial limitations of being used exclusively forsales promotion and has expanded its boundaries to the area of branding. This growth has marked the evolution of online advertising from e-mail advertising, search advertising, and banner ads into online video advertising, which is a lot like current TV advertising[2]. However, most online advertising seems to be narrowly used as an efficient marketing tool to maximize visible marketing performance, which is a unique functionality of online advertising that is dependent on the advantages of real-time feedback, which are available therein. In academia, there are a variety of opinions on the results of research claiming that online advertising can enhance brand equity in terms of long-term brand management, as well as divergent findings from many studies that online advertising facilitates both consumer participation and diffusion. When viewed from this perspective rather than from a perspective of Integrated Marketing Communications (IMC), it has been suggested that traditional TV media is a useful communication tool to convey brand information and to form brand imaging.

The trans-media era needs to achieve media synergy to facilitate short-term and long-term objectives through supplementation and convergence among offline and online forms of advertising in order for advertising to flourish in a fiercely competitive media environment. Previous studies have concentrated on demonstrating the effectiveness of new media and on the limitations of traditional media via comparison between the two types of media, while research that verifies the effects of traditional media in the new media environment has been neglected. Therefore, this study aims to verify the role of traditional media in the trans-media era by focusing on long-term brand management as an essential media strategy.

2. Background of the Study

2.1 Role of Advertising in the Trans-Media Era

Conceptually speaking, trans-media is a combination of the words "trans"- which means traverse, transcend, penetrate, and change- and "media". Thus the word stands for media across media, which accommodates all the media in modern society and technically refers to the ways in which modern mechanisms are able to transfer content from media to other media. As multi-platforms such as the internet, smart phones, SNS, GIS, and digital signage together with high technology such as the Internet of Things (IOT), holographic reality, augmented reality, and virtual reality have appeared, "the trans-media era" has emerged as an expression to signify this convergence and integration of various media[3].

A multi-platform strategy is fundamental to effectively manage trans-media, and the approach is based on the principle that one medium does not exist in isolation, but rather exists in the relationships among different media[4]. Like a triple media strategy that divides all media into categories of paid media (purchased media, such as existing TV advertising, newspaper advertising, and outdoor advertising), owned media (media that a company voluntarily holds, such as web sites), and earned media (media that is intended to gain the trust of consumers and a favorable reputation via social networks) according to the differing roles of media types[5] or like a cross-media strategy that conveys integrated messages to consumers by cross-advertising, trans-media aims to bolster the unique role of each medium in accordance with the characteristics of each medium and to derive a synergistic effect through organic collaboration among various media. The convergence and integration of mass media and new media have commonly been attempted via simultaneous operations between TV commercials and internet advertising. This combination has advantages not only in expanding the brand contact points to consumers on a mass basis, but also in increasing the opportunity for active information processing based on internet interactivity[6].

Therefore, awareness of the nature and the effects of each medium should be required in order to plan the convergence of media. First, the effects of online advertising include the enhancement of ad awareness, brand awareness, and brand preference, as well as the arousal of desire in consumers to purchase goods. In addition, online advertising increases the frequency of ad exposure and increases the Return on Investment (ROI)[7].

Among the reference studies cited herein[8], according to research studying the effects of online advertising in the cross-media environment, cross-media ads that mix TV commercials with internet banner ad shave shown higher performance in metrics of advertising engagement, brand engagement, and purchase intention than singular media ads based on only TV commercials. Many studies claim that online advertising is the most cost-efficient method to increase brand performance. However, one previous study[9] points out that online advertising may be effective only in launching a new brand, while in the case of established brands in a market, online advertising may have some limitations in measuring continuous marketing performance because it focuses only on the arrival rate of advertising.

Meanwhile, despite an explosion of interest in new media, total ratings of TV (including terrestrial TV and cable TV) still show no significant decrease[10]. The 2014 survey of the Korea Broadcast Advertising Corporation (KOBACO) on media usage showed that TV still occupied an important position in media usage at that time, even though mobile media was moving to the main stream. According to the survey results, TV approval ratings were up as high as 78%- even among consumers in the age range of 20-40 years, who mainly use mobile and internet devices relative to consumers of other ages- and the audience who used SNS everyday was shown to have more time to watch terrestrial TV than other respondents. It may be possible that there was a mutual synergy between TV and mobile media, because 40% of the respondents of this survey mentioned that using SNS helped to raise their level of interest in TV programs. Accordingly, we have room to assert that we should revalue TV commercials as a type of effective traditional media and study the new role of TV commercials in a changing media environment in order to develop an effective trans-media strategy.

2.2 Key Brand Indices as Aspects of Advertising Effectiveness

Initially, advertising effects were identified based on the concept of ROI in terms of the extent to which the amount of advertising inputs (including advertising expense, advertising exposure, and advertising share) impacted sales. However, as many scholars have insisted that advertising influences the attention, cognition, interest, attitude, knowledge, beliefs, and other aspects of its audience, metrics for today's advertising effects have been developed in directions to predict sales according to these psychological responses[11]. Thus, this study investigates advertising effectiveness through representative psychological indices of brand equity.

2.2.1 Brand Awareness and Brand Preference

A company should try to imprint their brand in the memory of consumers and establish a good feeling about the brand through steady marketing efforts. In this context, brand awareness and brand preference may be fundamental indices to diagnose brand performance formed by marketing communications.

2.2.2 Purchase Intention

Purchase intention expresses the idea that consumers want to achieve a specific behavior when they buy a product or service[12]. Because consumers naturally intend to buy a product when they feel in need of the product, high purchase intention actually leads the probability of purchase. Thus, purchase intention is considered to be a final stage in purchase decision-making and is a final indicator of advertising effectiveness[13].

2.2.3 Brand Image

One existing study[14] suggests that strong brand imaging might be formed by a favorable, powerful, and unique associated image. Other research[15] defines brand image as perceptions about a brand in the minds of consumers and divides it into rational and emotional perceptions with which consumers endow particular brands. One study[16] suggests that brand image is a component of brand knowledge and thereby shows that brand image consists of a functional image and an emotional image. Therefore, in this study, functional image and emotional image are defined according to previous research[14,16]. Functional image involves the brand's meaning, which focuses mainly on solving functional problems related to product consumption. The meaning of emotional image is seen in the pursuit of a brand's symbolic value, which is inherent

in the brand, by consumers who decide tobuy a specific brand.

3. Research Hypotheses

This study aims to examine the role of traditional media in a trans-media environment wherein mass media and new media coexist. Accordingly, in comparing a hybrid mode of advertising (in which TV commercials and online advertising coexist) with an online-only mode (in which only online advertising is executed) for specific aspects of advertising effectiveness in terms of key brand indices, hypotheses for this study are as follows:

> Hypothesis 1-1. The effect of the hybrid mode of TV advertising as traditional media and online advertising as new media will be higher than the effect of the online-only mode in brand awareness.

> Hypothesis 1-2. The effect of the hybrid mode of TV advertising as traditional media and online advertising as new media will be higher than the effect of the online-only mode in brand preference.

> Hypothesis 1-3. The effect of the hybrid mode of TV advertising as traditional media and online advertising as new media will be higher than the effect of the online-only mode in purchase intention.

> Hypothesis 2-1. The effect of the hybrid mode of TV advertising as traditional media and online advertising as new media will be higher than the effect of the online-only mode in functional brand image.

> Hypothesis 2-2. The effect of the hybrid mode of TV advertising as traditional media and online advertising as new media will be higher than the effect of the online-only mode in emotional brand image.

4. Methods

To verify these hypotheses, the hybrid mode and online-only modes of advertising were used as experimental stimuli. In the case of online advertising, the types of ads created were an online video, which conveyed a brand story, breaking from online banner ads and online search ads intended for brand exposure or customer flow. As for a tested product, a hedonic product was selected to easily enable the formation of emotional and functional imaging via our advertising. Vivien, a major domestic brand in Korea, was set as the target brand. After continuous execution of the hybrid and online-only modes in 2014 and in 2015, two surveys for data collection were conducted, respectively, by a specialized research agency in order to verify the effectiveness of the advertising strategies. Because online advertising is designed differently each year, advertising preference as the exogenous variable was controlled through post-statistical processing in order to verify the advertising effects of each mode under the same conditions.

4.1 Measures

Brand awareness was measured with a metric to determine the extent to which the brand was top of mind among consumers. Additionally, brand preference and purchase intention were each measured with one item, which was a binary-type answer. Brand image was measured with 12 items (on a 5-point Likert scale), including an even distribution of items to measure emotional and functional dimensions suitable for a brand of women's lingerie. Advertising preferences in each mode of advertising were measured with one item (on a 5-point Likert scale).

4.2 Data Collection and Analysis

The data was collected from a sample of 1,100 females with ages ranging from 16 to 39 years, who had purchased a bra at least once in the previous six months from a department store in Seoul or one of four main metropolitan regions in Korea. A total of 1,100 self-reported questionnaires were collected and used in the final analy-

sis. For the analysis of statistics, SPSS 23.0 for Windows was used. First, brand awareness, brand preference, and purchase intention (which were designated as dependent variables) were measured with a dichotomous variable. Thus, binary logistic regression analysis was conducted in order to verify whether an independent variable impacted the dependent variables under the condition of controlling for advertising preference. Meanwhile, brand image was measured with scale-type variables. In this case, Analysis of Covariance (ANCOVA) was utilized to verify whether the mode of advertising (i.e., the hybrid mode vs. the online-only mode) impacted brand image under the condition of controlling for advertising preference. Exploratory factor analysis to confirm validity and Cronbach's α value to confirm reliability were used. As a result, it was shown that brand image consists of two sub-factors of functional image and emotional image.

5. Results

5.1 Descriptive Statistics of the Main Variables

Regarding the variables of advertising effectiveness in this study (brand awareness, brand preference, purchase intention, functional image, and emotional image), the hybrid mode (brand awareness 37.8%, brand preference

33.4%, purchase intention 38.1%, functional image 4.17 points, and emotional image 4.09 points) was shown to be higher in all evaluations than the online-only mode (brand awareness 24.0%, brand preference 20.0%, purchase intention 13.7%, functional image 3.73 points, and emotional image 3.68 points).

5.2 Hypotheses 1-1, 1-2, and 1-3

In order to investigate the effectiveness of TV commercials in the trans-media environment, this study evaluated whether the mode of advertising (hybrid mode vs. online-only mode) impacted brand awareness, brand preference, and purchase intention. Detailed results on the statistically significant influence of the mode of advertising on brand performance under conditions of controlling for advertising preference are shown in Table 1, Table 2 and Table 3. Our results show that the mode of advertising had statistically significant effects on all metrics of advertising performance. Thus, we conclude that levels of brand awareness (O.R. = 1.390), brand preference (O.R. = 1.796), and purchase intention (O.R. = 2.740) were changed in consumers according to hybrid or online-only modes of advertising. In addition, because the mean values of dependent variables in the hybrid mode were higher than these values in the online-only mode, hypotheses 1-1, 1-2, and 1-3 were supported.

Table 1. Results of binary logistic regression analysis on brand awareness

Variable		B	S.E.	Wald	Sig	Exp(B)
Control variable	Advertising preference	.518	.106	23.918	.000	1.678
Independent variable	Advertising mode	.330	.166	3.945	.047	1.390
Constant		-2.928	.400	53.697	.000	.053
-2LogLikelihood = 1365.605 / Nagelkerke R^2 = .055 / χ^2 = 44.673* (df=2)						

*$p < .05$, **$p < .01$, *** $p < .001$

Table 2. Results of binary logistic regression analysis on brand preference

Variable		B	S.E.	Wald	Sig	Exp(B)
Control variable	Advertising preference	.585	.112	27.170	.000	1.796
Independent variable	Advertising mode	.344	.174	3.887	.049	1.796
Constant		-3.415	.431	62.743	.000	.033
-2LogLikelihood = 1289.782 / Nagelkerke R^2 = .062 / χ^2 = 48.997* (df=2)						

*p < .05, **p < .01, *** p< .001

Table 3. Results of binary logistic regression analysis on purchase intention

Variable		B	S.E.	Wald	Sig	Exp(B)
Control variable	Advertising preference	.640	.118	29.165	.000	1.896
Independent variable	Advertising mode	1.008	.192	29.165	.000	2.740
Constant		-4.088	.469	75.855	.000	.017
-2Log Likelihood = 1271.109 / Nagelkerke R^2 = .121 / χ^2 = 98.808*** (df=2)						
*p < .05, **p < .01, *** p< .001						

5.3 Reliability and Validity of the Measurement

Before verifying the mode of advertising affected brand image as measured in hypotheses 2-1 and 2-2, exploratory factor analysis was used to discern the sub-factors of brand image. Table 4 shows the result of exploratory factor analysis on brand image. In the results of exploratory factor analysis with 12 items to evaluate brand image, it was shown that the two sub-factors of functional image and emotional image were conceptually and statistically viable. Specifically, six items of functional image and six items of emotional image had factor loading values of 0.5 or higher, respectively, and appeared to properly converge to a single dimension. Thus, functional image and emotional image as constructs are confirmed to obtain convergent validity and discriminate validity. Lastly, a further reliability test was conducted with six items of functional image and six items of emotional image loaded in two respective factors. In the results, the Cronbach's α value of functional image was 0.885, and the Cronbach's α value of emotional image was 0.796. Therefore, the inter-

Table 4. Results of exploratory factor analysis on brand image

Concept	Items	Factor1	Factor2
Functional Image	Feeling in wearing	.796	.210
	Fit	.767	.249
	Color of a bra	.765	.243
	Comfort in wearing	.753	.190
	Design of a bra	.750	.266
	Volume-up	.720	.314
Emotional Image	Sophisticated	.198	.759
	Modern	.228	.752
	Market leading	.252	.719
	Young	.239	.702
	Elegant	.186	.697
	Premium	.282	.681
Eigen value		5.737	1.516
Variance explained (%)		47.8.4	12.635
Variance accumulated (%)		47.8.4	60.439

nal consistency between all items included in each factor was found to be trustworthy.

5.4 Hypotheses 2-1 and 2-2

Under conditions of controlling for advertising preferences among consumers, ANCOVA analysis was conducted to verify how functional and emotional images change depending on the mode of advertising, after treating advertising preference as a covariate. As the results in Table 5 show, findings in two modified models (with one model having functional image as a dependent variable (F = 61.420, df = 2, p = .000) and the other model having emotional image as a dependent variable (F = 123.195, df = 2, p = .000)) were significant with a 99% confidence

Table 5. Results of ANCOVA on brand image

	Dependent variable	SS	df	MSS	F	p
Modified model	Functional image	46.142	2	23.071	61.420	.000
	Emotional image	61.665	2	30.833	123.195	.000
Intercept	Functional image	240.219	1	240.219	639.514	.000
	Emotional image	335.018	1	335.018	1338.592	.000
Advertising preference (covariate)	Functional image	17.169	1	17.169	45.709	.000
	Emotional image	26.111	1	26.111	104.329	.000
Type	Functional image	7.725	1	7.725	20.566	.000
	Emotional image	10.131	1	10.131	40.477	.000
Error	Functional image	216.362	576	.376		
	Emotional image	274.554	1097	.250		
Total	Functional image	9256.500	579			
	Emotional image	17743.417	1100			
Modified total	Functional image	262.503	578			
	Emotional image	336.219	1099			

interval. In addition, each advertising preference as a covariate in these two models was significant. Thus, it was found that the mode of advertising under conditions of controlling for advertising preference had a significant impact on both functional image (F = 20.566, df = 1, p = .000) and emotional image (F = 40.477, df = 1, p = .000).

Accordingly, the effects of the hybrid mode of advertising were significantly higher than the effects of the online-only mode in the mean values of functional image and emotional image. Thus, both hypotheses 2-1 and 2-2 were supported. Table 5 summarizes the results of ANOCOVA on brand image.

6. Conclusion

The purpose of this study was to investigate the ways in which certain differences occur in brand performance according to mode of advertising with differing media combinations (i.e., hybrid mode vs. online-only mode). Furthermore, this study intended to search for ways to complement the limitations of new media and to maximize synergy effects between differing media based on the strength of traditional media in an environment of evolving media from TV commercials to online or mobile advertising.

Our results show that the hybrid mode, which involved the use of TV commercials and online advertising concurrently, had a statistically significant higher performance than the online-only mode in representative brand indices including brand awareness, brand preference, purchase intention, and brand image. These results seem to be consistent with the results of existing studies, which assert that a cross-media strategy (involving both TV commercials and online advertising at the same time) is more effective than a singular media strategy. However, it seems worthwhile to point out that within this empirical result is evidence that traditional media is still effective for long-term brand management[17], an assertion that is unlike the conclusions of existing studies focusing on the effects of online advertising for active information processing.

The main implications of this study are as follows. First, this study presents empirical evidence that sheds new light on the role of TV advertising's contributions to long-term branding. The results show the importance of building a media strategy to maximize synergy effects among various media in an environment in which the role of traditional media has been diminished, rather than contribute to the increasing interest and importance of new media. Secondly, this study indicates that practitioners should not focus on online advertising for purposes of increasing click rates only, but should plan a practical trans-media strategy to achieve long-term goals as well as short-term goals via media convergence that corresponds to the differing natures and roles of each medium. Therefore, branding in the trans-media era will need to be managed by trans-media communication beyond the current trends of integrated marketing communication. From this perspective, the ultimate finding of this study is in its consideration that all media should be designed hierarchically and synthetically based on the roles of various media for branding in the context of the trans-media era. It is a departure from past maxims of conveying and implanting brand images in one-way communication through a single medium.

There are some limitations of our study and directions for further research. Firstly, certain changes to be able to occur under its own brand or market competition might have not been controlled because the execution time of tested advertising was different. Secondly, the results are not sufficient for generalization because this study dealt with only one brand selected in a particular product category. Therefore, strict control of research time, target brand, advertising expenses, advertising creative, and other essential components are needed to make advancements with further research. Furthermore, various modified and complementary studies on media convergence are expected in the future based on our increasing collective understanding of the trans-media environment, which is a main theme of this study.

7. References

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