

## **PRODUCT CATEGORIES AND INFORMATION CONTENT OF TELEVISION ADVERTISEMENTS IN THE PHILIPPINES**

**Myra Vina D. Agatep-Valmoria\***

*The paper investigates the information content of Philippine television advertisements. Specifically, it intends to establish exposure patterns and information content profile of television advertisements; and to determine if information content of television commercials varies in different product categories. The Foote-Cone-Belding (FCB) Planning Matrix was utilized to classify the advertised products.*

### **I. INTRODUCTION**

Information in advertisements is fundamental in marketing because of its role in affecting the behavior of consumers. Consumers rely on information about the products and services to arrive at rational purchase decisions. Information about price, quality and other product attributes enables buyers to utilize their income or wealth by finding the product whose mix of price and quality they most prefer (Beasles et al., 1981). Inevitably, marketers have to utilize marketing tools (e.g., television advertisements) to disseminate information about their products to influence their respective consumers' decision processes.

In another light, product categories influence consumers' need for information. It is widely accepted that purchase decisions vary when faced with different products categorized into different dimensions and consequently affecting the informational need of consumers (Peter & Olson, 1999; Kotler & Armstrong, 1998). Consumers' experience or lack thereof with a certain product or service drives them to anticipate

and demand different levels of information from television advertisements (Carlton & Perloff, 2000).

Developments in the worldwide advertising reflect to two emergent trends: information overload and the marketers' increased control over their products' presentation to the buyer (Stanton & Burke, 1998). These trends suggest that deciding what information to provide or not to provide can determine a product's success in the market place, thus creating the need to assess the level of information available and/or not available to consumers.

These marketing issues are an ongoing field of research in other countries. In the Philippines, however, these areas have not been fully publicly documented. This poses questions on the quality and usefulness of information available to Filipino consumers from television advertisements. It is important that these issues be addressed because it could influence a firm's strategic decisions. In 2001 alone, there was a 71 percent increase in television advertisement

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\* Assistant Professor of Marketing, College of Business Administration, University of the Philippines, Diliman, Quezon City.

expenditures from the previous year (Appendix A). This shows an upsurge in firms' costs, and consequently it has implications on firms' profitability strategies.

This paper intends to establish an exposure and information content profile of Philippine television advertisements and to determine whether information content of television commercials varies in different product categories. From the business policy perspective, a content profile and assessment will afford marketers with ways to fully

utilize television advertisements. For academicians and consumers, alike, the study will provide the types and levels of information derived from such advertising medium.

This paper is organized as follows: Section II provides the literature review. Section III presents the hypotheses. Section IV discusses the method, Section V discusses the results, and Section VI concludes the paper.

## II. LITERATURE REVIEW

Studies on advertising content revolve on two major elements: strategy and execution. The strategy element is concerned with "what is said". This area of study commenced in the late 1970s when the Federal Trade Commission of the United States recognized the growing deception in the marketplace with regard to the claims of marketers. A survey on deception cases filed in court showed that information in advertisements or lack of it is a way for marketers to exercise the capacity or tendency to deceive (Brandt & Preston, 1977). The execution element, on the other hand, is concerned with "how it is said". Researches on this area focus on the message appeals and effectiveness of the advertisements (Lasky et al., 1994; Stanton & Burke, 1998). The two elements have also been described as informational advertising and persuasive advertising, respectively, where the former describes a product's objective characteristics and the latter presents psychological components designed to shift consumer's taste (Carlton & Perloff, 2000).

Researches on the strategy element examine the information cues present in the advertisements employing the Resnik-Stern content classification (Resnik & Stern, 1977; Stern & Resnik, 1991; Weinberger & Spotts, 1989; Mueller, 1991). Determining the level of information content of advertisements

involved identifying and tallying the type and amount of information cues that is present in each commercial. According to Resnik and Stern (1977), every commercial transmits some information by transmitting visual and audio stimuli that provide meaningful cues. For a commercial to be considered informative, it must permit a viewer to make a more intelligent buying decision after seeing the commercial than before seeing it. A commercial needed only to communicate one of the fourteen informational cues to be considered "informative".

The content classification developed by the pioneering work of Resnik and Stern (1977) presents a list of information cues. These include price, packaging or shape, quality, guarantees or warranties, performance, safety, components or contents, nutrition, availability, independent research, special offers, company-sponsored research, taste and new ideas. Lin (1993) and Lin and Salwen (1995) reclassified the information cues into rational appeal (price, quality, performance, safety and guarantees and warranties) and emotional appeal (taste, packaging and new ideas).

A further survey of literature yields factors that influence information content via information cues. These can be summarized in four areas: 1) product categories, 2) economic factors, 3) culture, and 4) media

conditions. These studies explored the differences in the level of information content given the different categories. This paper focuses on the product category factor.

In the product categorization arena, it is widely accepted that consumers' decisions vary between product types and that advertising activities are adjusted to reflect such variance (Peter & Olson, 1999). The conceptual framework popularly tested and applied was the Foote-Cone-Belding (FCB) Planning Matrix (Vaugh, 1980; Vaugh, 1986; Berger, 1986). The planning grid uses two dimensions for classifying product categories: high/low involvement and think/feel. This classification suggests that purchase decisions vary when faced with different products belonging to different dimensions and consequently the informational need of consumers when faced with purchase decisions. Ratchford (1987) found that the dimensions have a continuum relation rather than exclusivity, proposing that high involvement can decay to relatively low involvement over time, likewise with think and feel dimensions.

Other studies explored this area through the following dimensions: durable vs. non-durable goods; services vs. non-services; and institutional vs. non-institutional products (Abernethy & Franke, 1996; Mueller, 1991). Many authors established that the level of

information content varies across product categories. Durable and rational goods, services, institutional and high-involvement products contain more information than those of their counterparts in each product category.

In economic literature, product classification and information content of advertisements is discussed in terms of "search" goods and "experience" goods. Tirole (1988) and Carlton and Perloff (2000) pointed out that informational content of advertisements differ among product categories because consumers do not treat products they have experienced and those they have not in the same way. Firms tend to provide more strategy elements for search goods and engage in persuasive advertising for experienced goods.

On culture and economic dimensions, factors were explored using comparative analysis of two or more countries, i.e., comparing the advertisements of Western, European and Asian; developed versus developing countries. Generally, European and Asian countries contain more information than those of the Western advertisements while developed countries provide greater information than those of the developing countries. Table 1 presents some of the cross-cultural comparison of information content across countries.

**Table 1**  
**Some Studies on Cross Cultural Comparison of Information Content**

Country	Average Number of Cues	Author
Australia	1.88	Dowling (1980)
Canada	1.47	Johnstone et al. (1987)
China	1.90	Keown et al. (1987)
France	2.40	Schroeder (1991)
	2.40	Zandpour et al. (1992)
Germany	1.95	Walliser (2001)
India	2.30	Ahmed (2000)
Ireland	2.20	Ward and McQuirk (1987)
Japan	2.14	Keown et al. (1987)
	2.14	Lin and Salwen (1993)
South Korea	1.86	Keown et al. (1987)
Spain	1.38	Bigne (1993)
US	1.28	Resnik and Stern (1977), Johnstone et al. (1987)
	1.00	Martenson (1987)
	1.38	Weinberger and Spotts (1989)
	2.68	Keown et al. (1992)
	1.77	Mueller (1991), Lin and Salwen (1995)

*Source: See Walliser (2001) for extensive literature review*

Media condition factors were also examined. Studies included comparing the information content of the different media i.e., television versus print media; commercial length versus broadcast time. Results show that printed advertisements contain more information than television and broadcast advertisements (Keown et al., 1992; Zandpour et al., 1992; Rajaratnam et al., 1995; Bigne et al., 1993, Ward & McQuirk, 1987).

Categorizing in terms of the product's

life cycle has not been explored, in other countries or in the Philippines. On observation, 80 percent of the consumer products in the Philippine market can be classified as mature products. New products come in trickles and these products are not usually exclusively new. Some of the recently introduced products are new variants or enhanced versions of old brands. Nonetheless, the paper will utilize this categorization and will empirically test their information content.

### III. THEORETICAL FRAMEWORK AND THE HYPOTHESES

This paper is an exploratory exercise on the relationship between product category and information content of television advertisements. Sociological and economic theories were employed to develop the hypotheses in the Philippine context.

In economic literature, the theory of the economic man provides a specific picture of a consumer's expectation toward information content in advertisements. The theory describes an individual who is maximizing his utilities, given the information available

about the needs and the needs-satisfying ability of available limited resources. It emphasizes the rational aspect of a consumer who consciously considers functional cost-utility information in a purchase decision (Carlton & Perloff, 1998; Vaughn, 1980 and 1986). It highlights that information is vital to an individual in making rational decisions.

The expectation theory from behavioral works of Fishbein and Ajzen (1975) supplement the economic theory and offers an explanation on why consumers would expect different levels of information when faced with a purchase decision. The theory proposes that the belief an individual holds for a particular thing is the direct result of all the thinking a person has, or has not engaged in. Beliefs, in turn, create expectations about results and future outcomes. In marketing, a consumer's process of thinking about a product affects his belief and, in turn, shapes his expectations. These expectations are bounded on the attributes of the products. Analogously, the expectation theory tells us that marketers would provide and consumers would expect diverse levels of information content to shape beliefs about products.

From the two theories, one expects that the quantity and the need for information depend on the complexity of the decision at hand. Due to the different attributes of products, various purchase decisions entails different degrees of complexity. The degree of complexity of purchase decisions vis-à-vis product's attributes shape how products are categorized (Peter & Olson, 1999; Kotler, 2000). One strategic framework of product classifications is the FCB Planning Grid, which uses the following dimensions: 1) rational/emotional, and 2) the degree of involvement of a consumer in purchase decision. This framework has not been applied in the Philippine context and would be employed accordingly in this paper.

Rational products are described to entail more thinking to make a purchase decision. Emotional products, on the other hand, involve the attitude or holistic feeling, which

requires more emotional communication. From the point of view of the economic man, "what is said" is more important than "how it is said". It is thus postulated that *the television advertisements of rational products contain more objective information than the television advertisements of emotional products*. The hypothesis is tested as follows:

$$\begin{aligned} H1_0: & \quad \mu_R = \mu_E \\ H1_A: & \quad \mu_R > \mu_E \end{aligned}$$

where  $\mu_R$  = mean information content of rational products; and

$\mu_E$  = mean information content of emotional products; and

The degree of involvement of consumer refers to how much time, thought and other resources people devote to the purchase process. Products classified as "high involvement" requires greater time, thought and resources. The opposite goes for "low-involvement" products. The economic man tends to require more information on products that entails higher resource usage. It is postulated that *the television advertisements of high-involvement products contain more objective information than the television advertisements of emotional products*. The hypothesis is as follows:

$$\begin{aligned} H2_0: & \quad \beta_{HI} = \beta_{LI} \\ H2_A: & \quad \beta_{HI} > \beta_{LI} \end{aligned}$$

where  $\beta_{HI}$  = mean information content of high-involvement products; and

$\beta_{LI}$  = mean information content of low-involvement products.

Behavioral economics acknowledges that people are prone to cognitive dissonance, often holding on to a belief plainly at odds with new evidence, usually because the belief has been held and cherished for a long time. This field of study developed the prospect

theory, a theory of “irrational” economic behavior, which holds that there are recurring biases that influence people’s choices under uncertainty. In particular, it assumes that people are more motivated by losses than by gains and as a result will devote more energy to avoiding loss than to achieving gain. The theory is based on the experimental work of two psychologists, Daniel Kahneman and Amos Tversky (1996).

The prospect theory implies that consumers who have developed strong beliefs toward a product will tend to depend on these established beliefs rather than new information. When faced with uncertainty, consumers depend on past experiences for information. In contrast, when faced with a new product, consumers need more

information to minimize their risks because they do not have past experience or existing information to depend on. In line with this, it is postulated that *the television advertisements of introductory products contain more objective information than the television advertisements of mature products*. The hypothesis is as follows:

$$H3_0: \quad \alpha_I = \alpha_M$$

$$H3_A: \quad \alpha_I > \alpha_M$$

where  $\alpha_I$  = mean information content of introductory products; and  
 $\alpha_M$  = mean information content of mature products

#### IV. METHOD AND TESTING THE HYPOTHESES

Data was derived from top four local television channels, namely: channel 2 (ABS-CBN), channel 7 (GMA-7), channel 9 (RPN 9) and channel 23 (STUDIO 23). The choice of channels is based on top “viewership” ratings (Appendix B). AGB Philippines provided the list of advertisements from these four top local television channels with their time slots and the programs they were inserted to.

The advertisements were recorded via video home system (VHS) to facilitate ease of coding and to eliminate hurried evaluation of the sample advertisements. Advertisements that were repeatedly shown were considered as one sample point only. Three people coded the objective information: the author, a colleague and an executive from a publishing company. For consistency of coding, a definition of each cue is provided in Appendix C. Definitions of objective information were thoroughly discussed before individual coding begun. Inter-coder reliability ranges from 0.53 to 0.95. Differences were identified, discussed until coding consensus was reached. The

recording was done on the last two weeks of July 2004 and the coding was done on the first two weeks of August 2004.

The three hypotheses were analyzed using ANOVA and t-tests using Statistical Package for the Social Sciences program. For the first two hypotheses, products were grouped using the FCB Grid. Products and services belonging to each quadrant of the FCB matrix are presented in Table 2. The recorded advertisements were classified accordingly.

For the third hypothesis, the classification is based on the age of product. This paper will focus on the two ends of the cycle, introductory and mature products because the dividing line between these two stages are more explicit. Age will be measured by the number of years the products or services have been in the market. Introductory products are those that are in the market for one year or less. Mature products are those that are in the market for more than five years. The arbitrariness of age measure is mitigated by the fact that this is the general age definition in the industry.

**Table 2**  
**The FCB Planning Grid**

	<b>RATIONAL</b>	<b>EMOTIONAL</b>
<b>HIGH INVOLVEMENT</b>	Life/auto insurance Contact lens Economy car Television Stereo Component Camera Washer/Dryer Car Battery House Paint Credit Card Motor Oil Home furnishing Electric ranges	Sports car Expensive watch Eye glasses Wallpaper Hair coloring Perfume Wine Facial soap Coffee Family/Steak restaurant Jeans Jewelry Fashion apparel Cosmetics Sunglasses Motorcycles
<b>LOW INVOLVEMENT</b>	Food OTC drugs Household products Feminine hygiene products Tea, milk Breakfast drinks Yogurt Laundry products Personal care products Insecticide Suntan lotion Salad oil Insect repellent Disposable razor Paper towels	Inexpensive watch Chicken Cigarette Greeting card Pizza Sandwich Spread Fast food restaurant Women's magazine Colas Beer Doughnuts Frozen baked goods Seasoning Salty snacks Candy Liquor

Source: Vaughn (1980).

## V. RESULTS

### Profile of Advertisements

The total number of advertisements from the AGB list consisted of 9,914 advertisement from the four top television channels (Table 3). These four channels represent 90 percent of the local network

industry's activities. The total unique advertisements amounted to 622. A unique advertisement is an exclusive one regardless of the number of times it is shown.

The top network commands the highest number of advertisements, both on the number of unique advertisements or the

number of repetitions. The total time devoted to advertisements amounted to 13.70 percent of the total airtime of the four channels (Table 4A). It should be noted, though, that this figure has already been evened out over

four networks and over a week. The highest number of times a unique advertisement was shown is 261 while there were 92 advertisements that were shown only once for the whole week.

**Table 3**  
**Number of Advertisements in Top Four Channels per Week**

<b>TV Channel</b>	<b>Number of Advertisements (With Repetition)</b>	<b>Number of Unique Advertisements (Without Repetitions)</b>	<b>Average Times an Advertisements is Shown in a Week</b>
ABS-CBN	3804 (38.5%)	341	11.15
GMA 7	4657 (47.0%)	413	11.27
RPN 9	624 (6.0%)	151	4.42
STUDIO 23	829 (8.5%)	141	5.87
All Channels	9914 (100.0%)	622	15.93

The airtime of each network is also shown in Table 4A where the top local network commands the largest airtime for advertisements. The figures are not unanticipated since top networks control the

largest viewership. Understandably, seller companies would want to place their advertisements in networks where viewership is high to ensure exposure of their products (Kotler, 2000; Peter & Olson, 1999).

**Table 4A**  
**Airtime of Advertisements**

<b>TV Channel</b>	<b>Total Airtime Per Week (In Hours)</b>	<b>Total Airtime of Advertisements Per Week (In Hours)</b>	<b>% of Advertisements' Airtime to Total Airtime (%)</b>
ABS-CBN	136	25.69	19.62
GMA 7	135.5	31.98	23.60
RPN 9	116	5.39	4.64
STUDIO 23	115.5	5.91	5.12
All Channels	503	68.90	13.70

On a daily basis, advertisements are distributed quite evenly, ranging from 13 percent to 15 percent per day (see Table 4B). Local networks assign larger number of advertisements on a Friday. Interestingly, Saturday contains the least number of

advertisements within the week. This deposes the perceived importance of weekend days. Saturdays and Sundays are work-free days in the country, supposedly providing longer periods for entertainment and possibly for television viewing.

This paper utilizes the industry classification of viewing segments, that is, dividing a day into three 8-hour periods: morning, afternoon and evening. Ideally, a day starts at 00:01 in the morning and ends at 12:00 midnight. However, the earliest morning program starts at 4:30 am and some evening programs extend after midnight. Given this observation, the author classified advertisements according to the programs'

published airtime. (See Manila Star, June 7-13, 2004.) Table 4C shows the distribution of advertisements in each period. Evening programs contain the most number of advertisements. This is not unexpected since this period is the start of the end of a workday. Again, seller companies would want to insert more advertisements in periods with higher probability of consumer reach.

**Table 4B**  
**Number of Advertisements per Day**

Channel	Mo	Tu	We	Th	Fr	Sa	Su
2	540	544	554	574	581	479	532
7	662	657	682	695	740	635	586
9	79	71	43	81	62	67	221
23	104	146	135	102	103	132	107
Total	1385	1418	1414	1452	1486	1313	1446
% of Advertisements Per Day	14.00	14.30	14.30	14.60	15.00	13.20	14.60

**Table 4C**  
**Number of Advertisements per Viewing Time (One Week)**

Channel	Morning (4:30am-12:00nn)	Afternoon (12:01pm-6:00pm)	Evening (6:01pm-sign-off)
2	881	1351	1572
7	1072	1723	1862
9	128	257	239
23	163	157	509
Total	2244	3488	4182
% of Advertisements Per Day	0.226	0.352	0.422

The number of advertisements in 13 program categories is also explored. (See Table 4D.) The author grouped the television programs according to KBP's (Kapisanan ng mga Broadcasters sa Pilipinas) nine program

categories: CP (Comedy Program), CTP (Children's TV Program), DP (Drama Program), DS (Drama Series), GS (Game Show), MTS (Magazine Talk Show), NC

(Newscast), PA (Public Affairs), VS (Variety Show)<sup>1</sup>.

The author added two program categories from a foreign television award<sup>2</sup> not used by KBP, but are popular patterns in the local scene: MF (Movie Feature) and RS (Reality Show). The author also added SP (Sports Program) due to its presence in most local networks. The rest are grouped as "Ot" (others): religious programs, home TV shopping and MTV.

Drama series category contains the most number of advertisements, followed by magazine talk show. This may be due to the upsurge trend on drama series brought about by growing popularity of Taiwanese and Korean soap operas. Game shows and sports

programs contain the least number of advertisements. On average, however, variety shows contain the largest number of advertisements while reality shows contain the least number. Surprisingly, MTV (Music Television) carries the least number of advertisements. In 1993, a McCann-Erickson study found that Filipino teenagers, which comprise the bulk of the country's population, devote a considerable time to this program. This, of course, leads to expectations of larger number of advertisements in this program. The expectations however, are not met. This reflects a possible change in the viewing preferences of the teenage population for advertisers to shun away from this program.

**Table 4D**  
**Number of Advertisements per Program Category (One Week)**

Channel	CP	CS	DP	DS	GS	MF	MTS	NC	PA	RS	SP	VS	Ot
2	195	263	69	1316	55	94	591	266	248	98	12	574	23
7	334	218	116	1379	215	34	453	259	632	213	0	779	25
9	58	58	0	21	0	17	79	65	129	0	107	26	64
23	44	42	0	136	0	129	171	109	0	30	79	0	89
Total	631	581	185	2852	270	274	1294	699	1009	341	198	1379	201
Number of Shows Per Category	25	43	3	46	5	14	24	14	25	40	5	10	8
Ave # of Advertisements Per Program	25.2	13.5	61.7	62	54	19.6	53.9	49.9	40.4	8.53	39.6	138	25.1
% of Advertisements Per Program Category	6.00	6.00	2.00	<b>31.00</b>	3.00	3.00	13.00	7.00	10.00	3.00	2.00	14.00	2.00

### Information Content of Advertisements

A total of 258 advertisements were recorded and 202 are unique advertisements. The unique advertisements contain 330 objective information cues, which is equivalent to an average of 1.63 information cues present in each advertisement. Tables 5A and 5B present the descriptive statistics.

Out of the 202 advertisements, 38.6 percent contain two information cues. Only 2.9 percent contains four information cues – the highest number of information cues present in an advertisement. Twenty-eight advertisements (13%) have zero objective information content.

The most common information present in the advertisements is performance and

content, representing 28.18 percent and 21.52 percent of the total sample, respectively. Seven percent of the advertisements contain quality and no advertisements contain independent research information. A few

contain information about safety. This shows that Philippine television advertisements focus more on the rational cues than on emotional cues like taste and packaging (Lin, 1993; Lin and Salwen, 1995).

**Table 5A**  
**Frequency of Information**

Number of Information Cues	Number of Advertisements	%
1	60	29.7
2	78	38.6
3	30	14.9
4	6	2.9
0	28	13.9

**Table 5B**  
**Number of Advertisements per Information Cue**

Information Cues	Number of Advertisements	%
Performance	93	28.18
Components or contents	71	21.52
Taste	30	9.09
Quality	25	7.58
Nutrition	20	6.06
Price	18	5.45
Availability	17	5.15
Special offers	16	4.85
Packaging or shape	16	4.85
Safety	15	4.55
New Ideas	6	1.82
Company-sponsored research	3	0.91
Guarantees or warranties	0	0.00
Independent research	0	0.00

There are 181 advertisements that can be classified under the FCB product categories. (See Tables 5C and 5D.) High-involvement/rational quadrant (Q1), high-involvement/emotional quadrant (Q2) and low-involvement/emotional quadrant (Q4)

contain the least number of advertisements while low-involvement/rational quadrant (Q3) contains the most number of advertisements. “New product” advertisements represent 19 percent and the rest are “mature product” advertisements.

**Table 5C**  
**Information Contents of Products in FCB Grid**

	<b>Product Type</b>	<b>Number of Advertisements Per Product Category</b>	<b>Number of “New” Product Advertisements</b>	<b>Number of “Mature” Product Advertisements</b>	<b>Number of Info Per Product Category</b>
Q1	Economy car	3	0	3	1
	Stereo component	1	0	1	1
	Camera/cellular phone	2	2	0	3
	Credit card	1	0	1	2
Q2	Motorcycles	1	0	1	1
	Scents	4	2	2	4
	Facial soap	2	1	1	2
	Fashion apparel	1	0	1	0
	Cosmetics	8	4	4	13
Q3	Food	9	0	9	16
	OTC drugs	42	6	36	80
	Household products	2	1	1	2
	Feminine hygiene products	1	0	1	4
	Tea, milk	13	0	13	30
	Breakfast products	2	0	2	3
	Yogurt	0	0	0	0
	Laundry products	6	0	6	9
	Personal care products	34	3	31	66
	Insecticide	1	0	1	1
Q4	Cigarette	1	0	1	2
	Pizza	1	0	1	2
	Sandwich spread	6	1	5	15
	Fast-food products/restaurant	11	3	8	9
	Soft drinks	3	0	3	2
	Beer	3	0	3	5
	Doughnuts	1	0	1	2
	Frozen baked goods	0	0	0	0
	Seasoning	6	2	4	9
	Snacks	5	1	4	5
	Candy	7	1	6	6
	Liquor	4	0	4	6
<b>Total</b>		<b>181</b>	<b>27</b>	<b>154</b>	<b>301</b>
<b>Others</b>		<b>21</b>	<b>11</b>	<b>10</b>	<b>29</b>
<b>Grand Total</b>		<b>202</b>	<b>38</b>	<b>164</b>	<b>330</b>

*\*Product categories without corresponding advertisements were no longer included*

**Table 5D**  
**Mean Information Content of Advertisements**

<b>Product Classification</b>	<b>Number of Advertisements Per Classification</b>	<b>Number of info Per Classification</b>	<b>Mean Information Content Per Classification</b>
Q1	7	7	1.00
Q2	16	20	1.25
Q3	110	211	1.91
Q4	48	63	1.31
0	21	29	1.38
Q1Q2	23	27	1.17
Q3Q4	158	274	1.73
Q1Q3	117	218	1.86
Q2Q4	64	83	1.30
New Products	38		1.710
Old Products	164		1.615
All Advertisements	202	330	1.63

Does the mean information content of products differ under different categories? Results of the ANOVA based on the FCB matrix provided surprising and mixed results (see Table 6A). A Chi-square test established that equal variances could be assumed for the t-tests. Products belonging in Q1 and Q2

showed no difference while products in Q3 and Q4 showed significant difference from the other quadrants. This performance of the lower quadrants seem to extend their influence when products were tested based on the horizontal and vertical dimensions of the grid using t-tests (see Table 6B).

**Table 6A**  
**Results of the ANOVA Test**

<b>Variables</b>	<b>F-ratio</b>	<b>p-Value</b>
Q1	1.949	0.104
Q2	0.935	0.445
Q3	2.515	0.043*
Q4	7.066	0.000*

\* $p < 0.05$

**Table 6B**  
**Result of the t-Tests**

Categories	Levene's Test for Equality of Variance		df	t-stat	p-Value
	F-ratio	Sig.			
Vertical Dimensions	0.250	0.617	179	-2.565	0.016
Horizontal Dimensions	1.310	0.254	179	3.914	0.000*
Product Life Cycle	5.231	0.028	200	0.528	0.598

\* $p < 0.05$

On the horizontal dimension, the t-test on the rational and emotional products (Q1Q3 vs. Q2Q4) shows that there is a significant difference between the mean number of information cue in each category. The positive sign of the t-statistics suggests that we can reject the null hypothesis (H1a) and accept the alternative one that rational products contain more information than emotional products.

The result of testing the products according to the vertical dimension, that is, high and low-involvement products (Q1Q2 vs. Q3Q4), shows that there is a difference between the two groups. Unfortunately, the negative sign of the t-stat suggests that we cannot reject the null hypothesis that high-involvement products contain equal or less information than emotional products<sup>3</sup>.

For the test on the new and mature products, the figures show that there is no significant difference between the two categories in terms of the mean number of information content of their advertisements. We therefore cannot reject the null hypothesis. This provides an insight that there has been no improvement in the level of objective information between mature-product and new-product advertisements.

The findings on the advertisements' profile reflect that there are little differences in their treatment of the days of a week, airtimes, and program classifications of the top local networks. This implies that when all things are equal, we expect more advertisements to be aired on a Friday, in the evening shows and in drama series programs.

These findings are significant in strategic decision-making because the assignment of advertisements mirror the consumer groups and their preferences. First, the results have implications to target or specialize in marketing, where sellers or advertisers could advantageously focus on a particular time and day to better reach their target consumers. It has been observed that advertisements of some products especially those belonging in the quadrant 3 and 4 are widely dispersed within the day. Esteban et al. (2001) found that target marketing increases a firm's degree of market power by decreasing advertising costs. This, then, creates an opportunity for strategic linkages of sellers and local networks to achieve better reach, exposure and distribution of television advertisements. Second, local networks have to stay competitive with regard to their selection and scheduling of their television

programs amidst the proliferation of foreign channels through cable access.

Philippine television advertisements are providers of objective information since on the average, an advertisement contains at least one information cue. This conforms to the minimum standards set by the advertising literature (Resnik & Stern, 1977; Stern & Resnik, 1991). The average information content of Philippine advertisements of 1.63 also coincides with the average content of most American and some European studies (see Table 1). The author was expecting that the findings to be at par with the average figures of the Asian countries and/or Third World countries, which contain higher levels of information content. Product affiliation with the European countries and with the US may explain this result. It can be observed that most of the advertised products are produced by multinational companies. This is especially true for those under the personal care and over-the-counter drugs. When firms attempt to create a standard image for their products across nations, advertisements are "localized" without losing the original concept or image of the product, thereby preserving to some degree the informational content of the advertisements (Kotler, 2000; Peter & Olson, 1999). In fact, standardization is becoming more the rule than exception (Walliser, 2001).

On a regulatory context, the information content outcome is quite disappointing. Huang and Hou (1987) found that tighter regulation leads to less objective information content to avoid claim substantiation issues. The Philippine advertising industry, however, is not regulated by the government yet the average information content is rather low. Considering that the industry is relatively free, there is much room for improvement on the level of information content of advertisements in the country, especially on those products that contain no information at all.

Television advertisements are not the complete source of objective information for

some product categories specifically for high-involvement products. Understandably, high-involvement products entail longer period for information search. Given the very short length of television advertisements<sup>4</sup>, consumers would not be expecting too much from a television ad. They expected to look for other sources of information, i.e., brochures, interview with the seller, surfing the internet. Advertisers, on their part, would be not be compelled to provide all information and would prefer to highlight one or a few information cues taking into consideration the standards set by the established products. This, therefore, creates an opportunity for seller or advertisers of high-involvement and rational products to improve the other sources of information.

Due to the lack of difference between the "new" and "mature" product advertisements, further inquiry was needed. Deeper probing shows that both categories focus on the product's performance and contents. On the third information, new product advertisements highlight on availability while mature product advertisements highlight on taste. Logic dictates that this is not a surprising result. New products need to tell consumers where to get the new product to induce trial purchase while mature products would reiterate established characteristics for the products to encourage continued patronage (Kotler, 1997).

The non-rejection of the third hypothesis can also be explained by the definition of "new" products, which included new brands of old product types, i.e., bioflu is a type of paracetamol. Advertisements of mature products in established product categories tend to set the standards for expectations. This is called the first-mover advantage (Kotler, 1997; Bartol & Martin, 2001), where established brands influence the category's strategies. This pushes sellers to focus on product differentiation by highlighting product performance and content which are the common information in over-the-counter drugs.

## VI. CONCLUSION AND DIRECTIONS FOR FUTURE RESEARCH

The purpose of this paper is to establish an exposure profile and an information content profile of advertisements aired in Philippine local networks. The exposure profile showed that despite the difference in market share, local television networks have little differences in their treatment of the days of a week, airtimes, and program classifications. For advertisers and seller companies, this opens opportunities for target or specialized marketing and strategic linkages between advertisers and local networks.

On the information content profile, the Philippine data provide little or weak support for the difference in the information content of some product categories. Not all product categories differ in their number of information content. Only when products are grouped through rational and emotional dimensions do product categorizations find strong support. A study of the possible factors that could account for the difference and non-difference of the product categories is worthy to explore.

In general, Philippine television advertisements are informative as they surpassed the minimum requirement demanded by marketing literature but are not complete providers of objective information. Still, there is much room for improvement to achieve a higher degree of "informativeness". This is a clear creativity and social responsibility challenge for the advertising

agencies in the country to provide more objective information, especially in television advertisements. Studies on other forms of dissemination tools and their contribution are research areas to be explored.

The findings reflect some similarities and variances of Philippine advertisements with the worldwide explorations. Whether due to factors attributed to cultural identity of the environment or to unique internal strategies of seller companies, these similarities and differences can be areas for fruitful linkages.

Finally, the author recognizes the need to explore other areas to enhance the study of advertisements in the country. This paper used an old-age list of information content without validation if the list is applicable to the needs of the environment being evaluated. It would be valuable to investigate what are the information requirements of local consumers for each product category. It is as important to survey seller companies and advertisers about their perception of their target market's information needs. It is imperative to check if a hierarchy exists on the list of information per product category to enhance the utility of television advertisements. Of course it is also crucial to investigate, if possible, the actual buying behavior of consumers vis-avis the objective information present in the advertisements because this area is largely unexplored in published marketing studies.

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## NOTES

- <sup>1</sup> These categories are used by the Golden Globe Awards, an annual event sponsored by KBP recognizing the performance of television program.
- <sup>2</sup> The Emmy Awards is given by the Academy of Television Arts and Science in recognition of the performance of international television programs.
- <sup>3</sup> The hypotheses require one-tailed tests but a two-tailed t-test was used. Nevertheless, one-tailed interpretations can still be derived. In a two-tailed test,  $t = \mu_1 - \mu_2 - (0)/\text{pooled variance}$ . Since pooled variance is always positive, a negative t means that  $\mu_1 < \mu_2$ , thus we cannot reject the null hypotheses that postulates such difference.
- <sup>4</sup> The normal length of one television advertisement in the Philippine is 15-30 seconds only. Advertisements with less time than the standard (i.e. 10-second clips) could still be viewed but are repeatedly/successively shown to cover the standard time. Advertisements with longer time than the standards are rare and are known to cost more than the cost of two standard advertisements.

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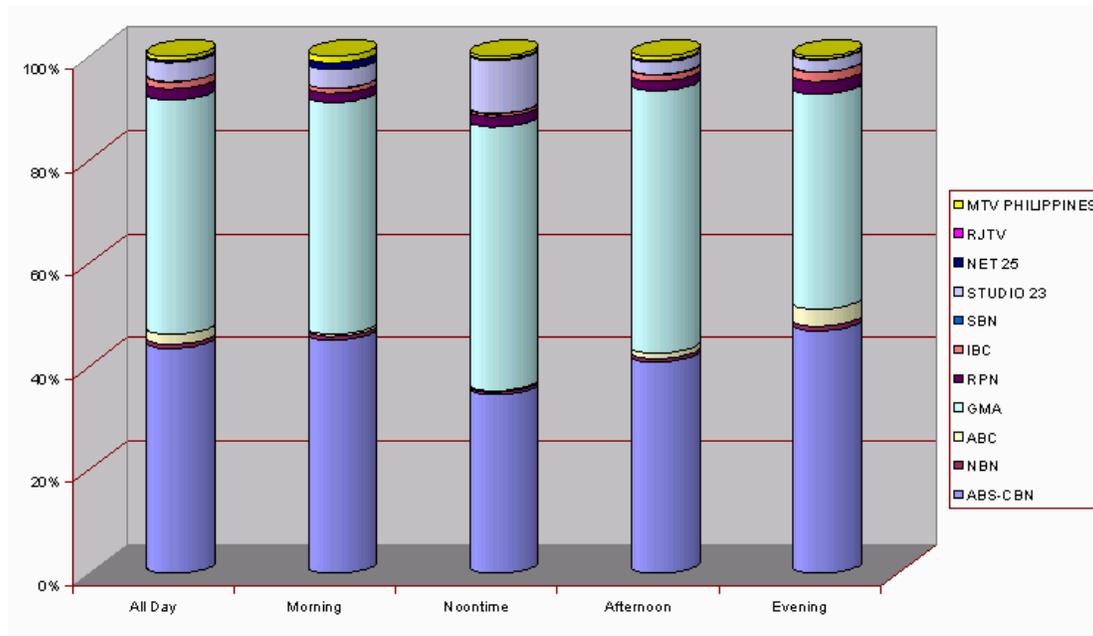
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**Appendix A**  
**Advertising Expenditure on Consumer Goods**

Media	2001 (000)	2000 (000)	YOY % Change
Terrestrial TV	859,463	759,639	13%
Cable TV	48,513	30,581	59%
Newspaper	145,665	139,806	4%
Magazine	49,593	51,902	-4%
Radio	250,766	209,729	20%
Cinema	-	-	-
Others	-	-	-
<b>TOTAL</b>	<b>1,354,000</b>	<b>1,191,657</b>	<b>14%</b>

*Source: www.ACNielsen.com*

**Appendix B**  
**Channels' Viewership Shares, First Quarter 2004\***



*Source: www.agb.com.ph*

**Appendix C**  
**Definition of Information Cues**

<b>Information Cues (a)</b>	<b>Definition (b)</b>
Price	Price is shown or flashed
Quality	Durability Reliability, ease of operation
Performance	How the product functions
Components or contents	Ingredients, unique attribute
Availability	Where to avail of the product, telephone numbers
Special offers	Promotions
Taste	Taste
Packaging or shape	If packaging is explicitly mentioned
Guarantees or warranties	Guarantees or warranties
Safety	Safety of use, caution clauses
Nutrition	Specific health attributes as a consequence of ingredients
Independent research	Company-developed attributes
Company-sponsored research	Company-sponsored research
New Ideas	New innovations on the product

*Sources: (a) Beasles, et al., (1981); (b) Kotler & Armstrong (1998).*