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CADPLAN: A SIMULATION FOR COMPARATIVE ADVERTISING

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Abstract

This paper describes an attempt to provide advertising professionals an opportunity to determine a format of Advertisements by a simulation called CADPLAN. It assists users in selection of a comparative advertising format

INTRODUCTION

Creating good advertisements has long challenged advertising professionals because of the large variety of creative options influencing the effectiveness of advertisements. One creative option that has become popular among advertisers is comparative advertising. Comparisons between two or more brands allows advertisers to position the sponsored brand in relation to the popular, compared brand. However, such advertising is generally not received favorably by audiences. Indeed, several studies have reported unfavorable effects of comparative advertising (e.g., Shimp and Dyer 1978; Wilson and Muderrisoglu 1980). Because of the risks associated with comparative advertising, it would be prudent for advertisers to understand its consequences prior to undertaking comparative advertising.

The purpose of this paper is to explore an alternative that would enable an advertiser comprehend the consequences of comparative advertising. First, the paper presents the background on comparative advertising, and its importance in advertising. Next, an alternative to enable advertising professionals to gather an understanding regarding comparative advertising, i.e., a simulation is explored. The paper ends with a brief discussion of the simulation.

UNDERSTANDING COMPARATIVE ADVERTISING

Prior to exploring how to determine an appropriate format of comparative advertising, it is necessary to understand the phenomenon of comparative advertising. Wilkie and Farris (1975) defined comparative advertising as that (1) compares two or more specifically named or recognizably presented brands of the same product or service class, and (2) makes such a comparison in terms of one or more specific product or service attributes. The underlying principle behind comparative advertising is that explicit identification of a compared brand would provide consumers additional information that was not available to them earlier (Levine 1976). By furnishing more information, comparative advertising can assist a consumer in making better decisions about the brands (McDougall 1977). Another benefit for consumers is the belief that product quality would improve as a result of comparisons in advertisements because otherwise, the manufacturer would be embarrassed by the products inferior quality.

Advertisers interests in comparative advertising is equally shared in academe as well. Over the years, numerous investigations have been conducted to determine the effects of comparative advertising. Several investigations have reported comparative advertising as superior on measures such as, brand recall (Prasad 1976), perceived informativeness (Earl and Pride 1980), sales (Demirdjian 1983). Whereas, other investigations have reported inferiority of comparative advertising on measures such as cognitive responses (Shimp and Dyer 1978), believability (Wilson 1976). Yet another group of investigations suggest no difference between the effects of comparative and noncomparative advertising on the same (or different) measures such as, counterarguments (Stutts 1982), attitude toward the product (Goodwin and Etgar 1980), purchase intention (Golden 1981). The most critical factor in comparative advertising, of course, is the format of the comparisons in the advertisements because consumers' responses differ on different comparisons. Brands can be compared in an advertisement along various dimensions such as, explicitness of comparisons, directionality of comparisons, number of brands, product level of comparisons, sidedness of comparisons, Cues in advertisements, and specificity of comparisons.

CAPTURING THE KNOWLEDGE ON COMPARATIVE ADVERTISING

An advertiser contemplating a comparative advertising campaign would face a myriad of combinations and conditions, which would influence the effectiveness of the campaign. If the advertiser can have an opportunity to comprehend the potential effects of different forms of comparisons in advertisements, the uncertainties, and perhaps the risks, associated with undertaking a comparative advertising campaign can be minimized- Enabling advertisers select an optimum format of comparative advertisements and foresee its potential results can be possible via a simulation.

CADPLAN: A SIMULATION IN COMPARATIVE ADVERTISING

A simulation in comparative advertising, called CADPLAN, currently under development, is designed for learning, practicing and testing comparative advertising concepts. Its purpose is to enable advertising professionals select

a comparison format in an advertisement. That is, CADPLAN assumes that a decision has been made to engage in comparative advertising. The issue facing the user is to select the most viable format of comparisons. CADPLAN, in the beginning stages of development, incorporates published findings on comparative advertising. To help a user determine a comparative advertising format, CADPLAN first asks the users to indicate the type of product to be advertised, and whether the brand to be advertised is an existing or new entrant on the market. For an existing brand on the market, the system also seeks information on its stage in the product life cycle. Next, the system seeks input from the user regarding the audience characteristics, such as demographic and psycho-graphic characteristics. Further, the system asks questions about characteristics of the sponsored brand, the degree to which the brand delivers the benefits, and the distinctiveness of the brand relative to other brands (cf. Aaker 1982).

Because advertising communications are designed to achieve specific objectives, CADPLAN incorporates various objectives to be satisfied with the proposed comparative advertisement. For instance, for new products (especially discontinuous innovations) and for new users of existing products, it is necessary to stimulate primary demand by communicating the benefits that tie The product category to consumers' needs and wants (Howard 1977). Likewise, if the product is at the maturity or decline stage of the product life cycle and the brand has a large market share, it is desirable to increase primary demand, as the brand will reap a large share of the increased category sales (Benn 1978). For products that are infrequently purchased or purchased once and used infrequently, the advertiser should remind the target audience of its need for the product (Rossiter and Percy 1987).

The knowledge base of CADPLAN also integrates the relationships between different dimensions of comparative advertising and their effects as measured in investigations. Comparative advertising can be an effective means of communicating brand information when the brand is *perceived* to be similar to, but not superior to, a competitor on one or more important benefits, and the brand *actually* outperforms the competitor or offers equal performance at a lower price (Gorn and Weinberg 1984). If the objective is to attract attention and stimulate interest in order to gain brand recognition or recall, then an *implicit* comparison can provide a strong statement of the brand's performance without enhancing recognition of the competitor. On the other hand, if the objective is to change a negative attitude of consumers who are loyal to another brand, it is likely that consumers are already highly aware of the competitor. An *explicit* comparison would be necessary to position the sponsored brand in the same league (Rossiter and Percy 1987). If the objective is to increase the credibility, a two-sided comparative advertisement would be well suited (Swinyard 1981).

In interacting with a user, CADPLAN uses the relationships included in the knowledge base as well as the objectives the user wishes to achieve with the comparative advertisement. Depending upon the basic information regarding the brand, (such as product type, stage in the life cycle among others), the system makes a recommendation on the form of comparisons to be included in the advertisement. Indeed, as the user's objectives change, CADPLAN revises the recommendation for comparisons. Also, if the user requests the reasons for the recommendation, the system provides its reasoning by listing appropriate relationships from the knowledge base. Thus, CADPLAN provides an opportunity to users to determine a comparative advertisement format interactively.

DISCUSSION

In contrast to other marketing decision models, CADPLAN attempts to represent the largely symbolic knowledge that associates consumer, market, and advertising characteristics with consumer behavior. It provides users an opportunity in an interactive environment to determine the optimum comparative advertising format. Unlike most marketing simulations, it has an uncommon ability to provide a "line of reasoning" justifications for its recommendations. The benefit of knowing the reasons for CADPLAN's recommendations allows users to work with greater understanding of the underlying phenomenon rather than guessing it. Working with an expert system shell, users also learn about the potential of artificial intelligence in advertising.

REFERENCES

Available from the author upon request