

## Ingredient-Advertising Strategy: Does It Influence the Interest of Buying Host-Product?

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### Abstract

This study aims to reach an *ingredient-advertising* strategy aimed to influence the interest of buying *host-product*. It uses *between-subject* experiment (i.e., advertising strategy for *ingredient-advertisement*: emotional, informational, and the combination between them) and *within-subject* experiment (i.e., *high-involvement*, *low involvement*). Printed *ingredient-advertising* followed by information about *host-product* is used as the stimulus. An evaluation is through questionnaires. The result of this study brings evidence for the hypothesis. Future researches may involve other sources to manipulate and inform information with multiple exposures.

**Keywords:** host product, ingredient-advertisement, product involvement, advertising strategy.

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### INTRODUCTION

Building brand identity is very beneficial for industrial products [1, 2]. Enterprises may utilize some strategies to manage and develop their products [3]. One approach related to the development of brand equity is ingredient-branding strategy. It is a *brand-within-brand* strategy through which ingredient-brand unites in a host-brand [2].

Ingredient-branding is a marketing strategy aimed to improve or add the brand equity of Industrial product (basic ingredient or components) that unites in the final product by communicating the basic ingredients with the final consumers [4]. On the other hand, *host-brand* uses ingredient branded product to attract customers [5]. Utilizing ingredient-branding may shift consumers' mind and trust on a host-brand by considering a good evaluation of its ingredient branded products. In addition, it may improve the brand awareness and image of host-product through a positive brand evaluation [6].

B2C advertisement by B2B companies has long been used as an investment by the suppliers of basic products to develop *ingredient-brand*. Ingredient-advertising is an advertising by B2B to increase the demand of its host-brand [7] as seen in Figure 1. The increasing demand on host-brand may be useful for the suppliers of *ingredient-products* to increase the demand, prices, and shipping cost of their ingredient-products, as well as its higher bid value in market share [8].

The executing strategy of advertisement is classified into informational and emotional advertisement [9]. Transformational (emotional) ads are associated to consumers' experiences of using advertised brand through a set of idiosyncratic psychological characteristics different from those without any advertisement exposure [10]. A positive emotional ad may bring out a powerful brand signal and stimulate a *category-based processing* [11, 12].

*Consumer's product involvement* is an important variable to influence consumers' responses on information, and thus influencing the implementation of *brand personality*. Product involvement reflects an internal condition of perceived relevance-based stimulus of product classes on consumers' needs, interest, and values, either situational or constant [13].

The level of involvement defines the profoundness, complexity, and extent of a cognitive process and behavior in consumers' decision making [14]. *Product involvement* reflects a *recognition* that particular category of products may become relatively important for consumers as the sense of their identity, as well as their relationship with the world [15]. Hence, *product involvement* is the essentially primary framework to understand consumers' decision making and its related communication [14].

This study aims to reach the influence of *ingredient-advertisement* strategy on *host-product* buying interest.

### Ingredient-branding

Building brand identity is very beneficial for industrial products [1, 2]. Enterprises may utilize some strategies to manage and develop their products [3]. One approach related to the development of brand equity is ingredient-branding strategy. It is a *brand-within-brand* strategy through which ingredient-brand unites in a host-brand [2].

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A strong ingredient-brand may communicate the specific features and benefits that simplify the process of decision making by consumers and bring out intangible components to final consumers. It gives benefits for both the suppliers and the buyers of basic ingredients (i.e., host-brand) [8].

Ingredient-branding is different from co-branding [16–20]. Ingredient-branding has more certain relationship (rather than co-branding) [2] in which one brand belongs to B2B's basic ingredient and another one refers to host-product [21–23]. In this case, the suppliers of basic ingredients may attract their final consumers to help the success of their host-brand [2].

Ingredient-brand is beneficial for host-brand as it may attract consumers, add differentiation, signal the product quality, increase consumers' brand awareness, and improve the image of host-product that leads to beneficial evaluation [5, 6, 24–27]. Additionally, branded-ingredient may affect consumers' interest in buying and paying with premium prices [28]. Branded-product is more attractive for unloyal consumers rather than the loyal ones [29]. Consumers' behavior and trust on ingredient-brand can be integrated with their behavior on host-brand, and thus giving better proposition on values [30].

### Ingredient-advertising

B2C advertisement by B2B companies has long been used as an investment by the suppliers of basic products to develop *ingredient-brand*. Ingredient-advertising is an advertising by B2B to increase the demand of its host-brand [7] as seen in Figure 1. The increasing demand on host-brand may be useful for the suppliers of *ingredient-products* to increase the demand, prices, and shipping cost of their ingredient-

products, as well as its higher bid value in market share [8].

### Advertising Strategy

Advertisement is defined as a kind of non-personally paid communication of organization, products, services, or ideas by identified sponsors. This "paid" aspect describes the space and time spent for making ads, which should commonly be purchased, such as TV, radio, magazines, and newspapers. Advertisement is an important instrument to build the equity of brand or company, given its effectiveness to inform and influence consumers' perception. Furthermore, it is useful to create a pleasing and distinctive image and association for companies' brands to sell their products and services with peculiar nature on its functional attributes. Brands play an important role on goods and services buying, and advertisement is one of the best ways to build brands [31].

The more consumers like an ad, the more they like the advertised brand [32]. Their behavior on brand is a different concept constructed by their trust on particular products, and each of them may affect their behavior on brands [33].

The executing strategy of advertisement is classified into informational and emotional advertisement [9]. Transformational (emotional) ads are associated to consumers' experiences of using advertised brand through a set of idiosyncratic psychological characteristics different from those without any advertisement exposure [10]. A positive emotional ad may bring out a powerful brand signal and stimulate a *category-based processing* [11, 12].

Some transforming (versus informing) advertisements show the advantages of using a brand with particular experiences different from using another similar one. Transformational advertisement consists of two fundamental characteristics; (1) utilizing the experience of using a more insightful, fresh, attractive, and interesting brand rather than solely the objective description of that brand, and (2) connecting the experience of using particular brand which makes the consumers may not remember the brand without recalling their experience on its ad [9].

On the other hand, informational advertisement focuses on consumers' practical, functional, or *utilitarian* needs on particular products and services, as well as emphasizing the features of the product or services and/or the benefits or motives to have and use particular brand. It tends to be informative and the advertiser may use this kind of ads to ensure their consumers that their products have particular attributes or provide particular benefits for consumers' needs [31].

H1: *ingredient-advertising* strategy combining emotional and informational ads may affect consumers' interest in buying host-product rather than only using one of those strategies.

### Product Involvement

The construct of *involvement* derives from psychological field. *Involvement* is defined as a condition of human being on which having an ego-central stimulus; a stimulus that relates to ego, either consciously or unconsciously [34]. In the context of consumer behavior, *involvement* generally refers to individual's perceived relevance on needs, values, and interest [15].

*Consumer's product involvement* is an important variable to influence consumers' responses on information, and thus influencing the implementation of *brand personality*. *Product involvement* reflects an internal condition of perceived relevance-based stimulus of product classes on consumers' needs, interest, and values, either situational or constant [13].

The level of involvement defines the profoundness, complexity, and extent of a cognitive process and behavior in consumers' decision making [14]. *Product involvement* reflects a *recognition* that particular category of products may become relatively important for consumers as the sense of their identity, as well as their relationship with the world [15]. Hence, *product involvement* is the essentially primary framework to understand consumers' decision making and its related communication [14].

*Involvement* may encourage consumers' motivation to actively seek for and collect information. They process the collected information more intensively by focusing on more specific arguments. *Involvement* improves consumers' capability to see some specific aspects relevant to its accurate categorization. As the result, consumers with *high involvement* should have more capability to accurately categorize the personality of a brand and understand the intended message within [13].

In the decision of buying, consumers with *high product involvement* may seek for more information on products they buy (e.g., the information of specific attributes) and make product comparison to assure the quality and value of the products they buy [15]. Hence, the process of making decision to buy a product takes more time with a set of subsequent stages. On the other hand, consumers with *low product involvement* may rely more on tangible signals (e.g., price and brand name) for their evaluation in making decision. Consumers may not take much effort to process information in a situation with *low involvement* [14]. It is in accordance to *Elaboration Likelihood Model* (ELM) that explains the information processing on

“*central route*” or “*peripheral route*”. *High involvement* product tends to bring out “*central route*” to persuasion, in which consumers take much cognitive effort to evaluate the presented arguments relevant to particular problems. In this case, they tend to focus on higher diagnosis signal such as information about attributes and performance for product evaluation. In addition, they tend to ignore simpler signal such as price and brand name. On the other hand, *low involvement* product bring on “*peripheral route*” to persuasion in which consumers evaluate a product based on some superficial analysis on available and prominent signals in available stimulus [15].

For *high-involvement* products, consumers use *central route of processing* and describe their experiences and knowledge to evaluate the products. Thus, product-related arguments may have good responses. However, when the customer involvement of a product is low, *peripheral information processing* happens. With this route, customers may not describe any intrinsic signals and be dependent on external and peripheral signals to make decision [3]. They rely on intrinsic attributes, such as product quality, to evaluate *high-involvement* products and use extrinsic ones, such as the original country, to evaluate *low-involvement* products [35]. *Customer-involvement* on products influences their perception on quality and their behavior on brand [36].

H2: On *low-involvement* product, consumers' interest on *host-product* may not have significant difference when it uses either emotional or combination *ingredient-advertising* strategy.

## METHODS

This study begins with a literary research on the studied variables, including *ingredient-advertising*, *ingredient brand*, *host product*, *host-brand*, *B2B-advertising*, *advertising strategy*, and *product involvement*. After studying the current literatures and constructing some hypothesis, several pre-tests are conducted to categorize products into high-involvement and low-involvement, ingredient product, and classify the ads into emotional, informational, and combination (i.e., emotional-informational) advertisement, as well as checking the tagline of emotional, informational, and combination ads. These pre-tests are conducted using survey. The respondents of the pre-tests have similar criteria with the participants of experimental research, including the students of the Faculty of Economy in UNESA non-education. It takes 30 students as the respondents. The result of the pre-tests is used to develop the stimulus of the experiment.

Selecting the category of host-product to be experimented is through observation focusing on group discussion. It observes the existing product categories listed in Top Brand Award list. The selected categories are those with ingredient-product brand. In addition, it

focuses on student group discussion to make sure that the students recognize the selected categories. As the result, the product category to be used for representing low-involvement products is food, and laptop for high-involvement product.

Furthermore, those two selected ingredient-products are tested to 30 respondents using questionnaires to make sure whether the selected category of involvement is right. Among 30 respondents, 28 of them fully complete the questionnaires. The collected data is then tabulated and analyzed. The result shows a difference on the level of involvement between bread and laptop. It is seen on the average difference between flour (18.8571) and processor (25.8929), as well as the significance value of independent sample of t-test:  $0.00 < 0.05$ .

Selecting the brand of ingredient products to be experimented is through observation and survey. The observation aims to determine which brands to be surveyed. The questionnaires of brand recognition are provided for 30 respondents. It aims to make sure that the prospective participants recognize the brands of selected ingredient products. They are Bogasari and Rosebrand for flour, and Intel and AMD for processor.

The questionnaires are sent to 30 respondents. However, 29 of them are entirely completed. The collected data is then tabulated and analyzed. As the result, 26 of them may recognize Intel as a brand of processor, and 24 of them see AMD as the brand of processor. Furthermore, 28 of the respondents recognize both Bogasari and Rosebrand as the brands of flour. Based on this result, Intel and Bogasari deserve to be manipulated. There are 6 stimulus of printed advertisement to be used in this study. Each of the stimuli is paired with the selected tagline. The stimuli are printed on *artpaper* to make the ad seem more real. Selecting the tagline of printed advertisement to be experimented is under an expert's justification. It is

based on the tagline of each brand justified to the ads category. There are two stimuli to be tested in the experiment. The first stimulus is in the form of ads stimulus as previously described. The second one is in the form of information, such as "Bread/laptop with brand X is made/built up using Bogasari/ Rosebrand/ Intel/ AMD."

The respondents fill the questionnaires in class after having a course. The questionnaires are randomly spread out and thus, neither the author nor the participants choose particular questionnaires. Aside from the questionnaires and the stimuli within, each of the participants have the same treatment. After completing and submitting the questionnaires, they get such a *debriefing*. It is information that they have participated in an experimental research and what they have seen in the stimuli and questionnaires are all modified merely for the sake of the research. They are also ask to not share the content of the research, given that the process of data collection still run.

In this study, the interest of buying is measured by "willingness to try", "willingness to buy", and "willingness to recommend" indicators; and advertising strategy is used to test the manipulation of emotional and informational ads. The measurement of advertising strategy is adopted from Dens & De Pelsmacker, [32]. The emotion within an ad is measured by the term *lovely*, *soft*, *warm*, and *happy*, complete with the message of the ad. Furthermore, the measurement of product involvement is adopted from Kim, Haley, & Koo, [38] and Utpal, [37]. Kim, Haley, & Koo [38] use some terms to test the manipulation of *involvement*, including *exciting*, *relevant*, and *important*, while Utpal [37] uses "*important experience*" and "*allow others to see*" indicators as the terms to test the manipulation.

## RESULTS AND DISCUSSION

**Table-1: The Result of ANOVA**

Multiple Comparisons						
Dependent Variable: minat						
LSD						
(I) advertisement	(J) advertisement	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound
Emotional	Informational	-.52636	.70223	.455	-1.9150	.8623
	Combination	-1.03700	.70223	.142	-2.4256	.3516
Informational	Emotional	.52636	.70223	.455	-.8623	1.9150
	Combination	-.51064	.69845	.466	-1.8918	.8705
Combination	Emotional	1.03700	.70223	.142	-.3516	2.4256
	Informational	.51064	.69845	.466	-.8705	1.8918

**Table-1: The Result of Hypothesis 2**

Independent Samples Test										
		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	T	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
								Lower	Upper	
Interest	Equal variances assumed	.696	.409	-1.500	44	.141	-1.82197	1.21459	-4.26981	.62587
	Equal variances not assumed			-1.494	42.565	.143	-1.82197	1.21973	-4.28252	.63858

The result of ANOVA for Hypothesis 1 shows no difference among combination, emotional, and informational advertising strategies on the interest of buying host-product for ingredient-advertising strategy. In other word, hypothesis 1 is not supported by the collected data. Given that ANOVA has addressed hypothesis 1, testing independent sample of t-test for hypothesis 1 is no longer necessary.

Furthermore, the result of independent sample testing on t-test for hypothesis 2 shows that neither low-involvement product nor the interest of buying host-product has significant difference between emotional and combination ingredient-advertising strategy. Thus, hypothesis 2 is supported.

This finding is different from the previous work in which the advertisement of ingredient-brand may influence the interest of buying host-product [8, 39, 40], given that the manipulation uses a single exposure. The participants see the manipulation for the first time, and the presented advertisement in the experiment class is ingredient-product ads while the interest of buying refers to a host-product.

In addition, the information they get about host-product is only about its ingredients, while other information on host-product is not presented in this study. The respondents may only see that the host-product is brand X. However, other information on host-product is the ingredient within. Ingredient brand is not quite adequate to make consumers buy a product. Since there is no description of host product, the respondents find themselves difficult to identify how well the brand for them and should they try the brand.

## CONCLUSION

Advertising strategy does not influence the interest of buying, thus, hypothesis 1 is not supported. Neither the low-involvement products nor the interest of buying a host-product has significant difference between emotional and combination ingredient-advertising strategies. Thus, hypothesis 2 is supported.

Future researchers may present other information to manipulate particular host-product and share the information with multiple exposures on ingredient-advertisement. They may also use survey to involve higher external validity in order to explain how and how big the influence of ingredient brand.

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