The Effects of Advertising Valence on Comparative Advertising: The Roles of Counterarguments

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Comparative advertising has been widely used in the United States. It is generally believed that comparative advertising is more effective than non-comparative advertising in terms of memory, claim acceptance, and Consumer Perceptions. With the growing popularity of comparative advertising in recent years, it becomes crucial to examine different kinds of comparative advertisements more closely. Using two experimental studies, this paper aims at understanding the effects of direct versus indirect comparative advertising and investigating the moderating effects of advertising valence and the mediating effects of counter-arguments. Based on our findings, managerial implications and future research directions are discussed.

INTRODUCTION

Comparative advertising has been used by companies in the United States since 1933 when Plymouth ads told the consumer to "Look at All Three" before purchasing (Wilkie and Farris 1975). However, it still was not a common advertising technique until the early 1970s when the Federal Trade Commission (FTC) encouraged companies to use comparative advertisements defined as advertisements "in which a sponsor directly compares itself to a 'leading brand', the comparative referent" (Laczniak et al., p. 168). Since then, they have been used by companies in the United States from a variety of different industries, such as personal computers (e.g., Mac vs. PC), cell phones (e.g., Apple vs. Samsung), automobile (e.g., Mercedes vs. Audi), beers (e.g., Bud Light vs. Miller Light) or even canned soup (e.g., Campbell’s vs. Progresso). As a result, comparative advertising has become more prevalent in the United States media because it can provide more information about advertisers and their competitors, which in turn, allow better connection to be built with consumers (Grewal et al. 1997; Jeon and Beatty 2002; Priester et al. 2004; Schwaiger et al. 2007; Shao et al. 2004).

Comparative advertising research has come a long way. Based on the previous discussion, it is easy to see that the results have been inconclusive and contradictory, but also there have been a disproportionate percentage of studies that have focused on the relative effectiveness of comparative versus non-comparative advertising (Pechmann and Esteban 1993). However, the initial focus solely on the difference between comparative and non-comparative advertising cannot satisfy the needs of both marketing managers and academic scholars. Since comparative advertising has been used by many companies, institutions, and even political agencies, given the intense competition and recent poor global economic conditions, many companies have actually increased their use of comparative advertising to either directly attack their competitors or indirectly claim that they are superior to other companies in the industry in terms of certain product or service features (Beard 2010; Miniard et al. 2006; Zhang et al.
Therefore, one question has been asked repeatedly by many companies: Is naming a specific competitor in a comparative advertisement a good idea? In other words, what is the effectiveness of direct comparative advertising?

In the literature, the discussion of comparative advertising has focused on direct comparative advertising alone (Miniard et al. 2006), and largely ignored the important comparison of direct vs. indirect comparative advertising (with the exception of Neese and Taylor 1994). In addition, compared to direct comparative advertising, the potential of indirect comparative advertising for positioning the advertised product has received far less attention in the literature (Miniard et al. 2006). Although comparative advertising has been extensively used, it remains illegal in many other countries in the world (Choi and Miracle 2004; Manzur et al. 2012; Petty 1991; Romano 2005; Schwaiger et al. 2007; Shao et al. 2004; Wright and Morgan 2002). Direct comparative advertisements are often the ones which are usually banned. Indirect comparative advertisements are allowed in some of these countries (Shao et al. 2004). For those countries where direct comparative advertising is banned, but indirect advertisements are allowed, the need for understanding of effectiveness is great.

**DIRECT/INDIRECT COMPARATIVE ADVERTISING**

According to Pechmann and Ratneshwar (1991), direct comparative advertising is an advertising strategy in which the advertiser specifically names its competitors in the advertisement to compare itself to the named competitors. In contrast, in an indirect comparative advertisement, the advertiser does not identify any particular competing brands, but instead refers to unnamed competitors, such as the leading brand, other brands, or all other brands (Miniard et al. 2006). There is still a dearth of studies which specifically address the different types of comparative advertising to provide guidelines for marketing managers for the proper application of comparative advertising. In particular, since direct and indirect comparisons have been increasingly used in the advertisements, the relative effectiveness of direct and indirect comparative advertising has become a crucial topic in advertising (Lamb et al. 1978a; Lamb et al. 1978b; Shimp 1978; Pechmann and Stewart 1990; Donthu 1992; Barry 1993; Beard 2010; Miniard et al. 2006; Zhang et al. 2011). While both direct and indirect comparative advertising encourage the creation of comparative evaluations in viewers’ minds, the effectiveness of these two types of comparative advertising should differ based upon viewers’ reference points (Miniard et al. 2006). Researchers have found evidence for better advertising effectiveness for both direct and indirect comparative advertising (Lamb et al. 1978a; Lamb et al. 1978b; Shimp 1978; Pechmann and Stewart 1990; Donthu 1992; Miniard et al. 2006; Pechmann and Esteban 1993; Pechmann and Ratneshwar 1991; Pechmann and Stewart 1991).

In 1990, Pechmann and Stewart raised an important issue in comparative advertising research. The authors argued that “one possible reason why academic research has not found comparative advertising effective is that too little attention has been paid to indirect comparative claims” (Pechmann and Stewart 1990, p. 180). In their research, the authors found that indirect comparative advertisements were more effective in gaining consumers’ purchase intentions than direct and non-comparative advertisements for moderate-share brands and direct comparative advertisements were better for low-share brands (Pechmann and Stewart 1990), similar to Snyder’s (1992) findings that indirect comparative advertising was more effective than direct and non-comparative advertising when the brand was new. On the other hand, using the Elaboration Likelihood Model (ELM) as theoretical background, Pechmann and Esteban (1993) found that consumers who were exposed to direct comparative advertising perceived the advertisement to be more interesting and valuable because direct comparative advertising motivated consumers to process the arguments in the advertisement message. In addition, a direct comparative advertisement improved and strengthened consumers’ perceptions toward the advertised brand and weakened consumers’ perceptions toward the compared brand on the featured attributes (Pechmann and Ratneshwar 1991). However, on the contrary, Pechmann and Esteban (1993) found that actually naming a market leader in the comparative advertisement used by the company with low market share cannot encourage consumers to process the advertising message information more carefully and thoroughly.
Some may argue direct and indirect comparative advertising are less different in consumers’ mind than in theory. Even though indirect comparative advertising may lead most consumers to think about how the advertised brand compares to a particular competitor (e.g. the market leader), others may think about different competitors (e.g. their current brands). The brand that consumers think of when they view an indirect comparative advertisement may or may not be the brand the company wants consumers to compare to, say, in a direct comparative advertisement. Miniard et al. (2006) found supportive evidence of the effectiveness of indirect comparative advertising with the rationale that indirect comparative advertisement implied the “superiority over all competitors...in positioning a brand against the entire market along featured attributes” (p. 54). However, indirect comparative advertisement is not always suitable because of the “inferiority in positioning a brand against a specific competitor as opposed to all competitors when consumers spontaneously generate this competitor during advertising processing” (p. 54).

Based on the arguments and empirical findings supporting either direct or indirect comparative advertising to be more effective than another, the effectiveness of direct versus indirect comparative advertising is inconclusive. Therefore, the main effect of direct versus indirect comparative advertising on consumer responses (attitude toward brand and purchase intention) is expected not to be significant. In the present research, we propose the moderator of advertising valence to help explain the contradictory findings about effectiveness of direct and indirect comparative advertising in the literature and try to understand the underlying mechanism driving the effects.

**ADVERTISING VALENCE**

With comparative advertising being more commonly used by advertisers, nowadays we can see more and more companies attacking their competitors or bad-mouthing about their products in the comparative advertisements. This trend raises another interesting question: are negatively-framed comparative advertisements superior to positively-framed ones? The frame of the comparative advertising has been drawing attention from marketing scholars for the last decade (Jain 1993; Jain et al. 2006; Jain et al. 2007; Jain and Posavac 2004; Zhang and Buda 1999; Lacznia et al. 2011; Meirick 2002; Roggeveen et al. 2006; Sorescu and Gelb 2000). However, to my best knowledge, none of them has specifically focused on the direct versus indirect comparative context.

Comparative advertisements can be classified by whether they are positive or negative (Jain 1993; Jain and Posavac 2004). Positive comparative advertising compares brands with selected attributes to make the claim that the advertised brand is superior to the compared brand, either qualitatively better or quantitatively more, on the advertised attributes (You are OK, but I am better). Additionally, positive comparative advertisements motivate consumers to think about what they can gain from using the advertisers’ products or services (Roggeveen et al. 2006). They focus on the superiority of the advertised brands in terms of the features and attributes compared in the advertisement (Jain and Posavac 2004) and on the advertised brands’ advantages or the potential gains to consumers from the purchase or use of the brand (Zhang and Buda 1999). In contrast, a negative comparative advertisement focuses on negative aspects associated with the compared brand (Jain 1993; Jain and Posavac 2004) and tries to motivate consumers to think about what they may lose by using the competitor’s products or service. A negative comparative advertisement features the advertised brand attacking the compared brand (I am OK, but you are not) by focusing on the inferiority of the competitor in terms of certain product attributes (Roggeveen et al. 2006) and accentuating the potential losses to consumers if the advertised brands are not chosen or wrong decisions are made in choosing brands by the consumers (Zhang and Buda 1999).

The most powerful support of using negative comparative advertising is that negativity is memorable (Faber and Storey 1984). Sorescu and Gelb (2000) have found empirical evidence that negative information is not only weighed more but also more credible than positive information in the evaluation process. Besides that, Lacznia et al. (2011) in their experimental studies have also found that negatively-worded comparative advertisements can generate higher levels of confidence in the comparative referent in terms of post-exposure attitude than positively-framed comparative advertisements. On the other hand,
since negative comparative advertisements emphasize the negativity of the comparative referent, consumers are more likely to perceive the negative emphasis placed on their brands as an attack. Therefore, Jain and Posavac (2004) have found that actually it is positive advertisements which can obtain higher believability of the advertising claim, higher favorable attitudes, and more positive attributions of the advertiser and negative advertisements. Positive comparative advertisements have been also found to cause more detailed and thorough analysis of the advertising messages included in the advertisement than negative comparative advertisements (Roggeveen et al. 2006; Zhang and Buda 1999). The direct effects of positive versus negative comparative advertising seem to be inconclusive and evidence also indicates that the effects of message framing may vary under different conditions (Jain 1993; Jain et al. 2006; Jain et al. 2007; Jain and Posavac 2004; Zhang and Buda 1999; Laczniak et al. 2011; Meirick 2002; Roggeveen et al. 2006; Sorescu and Gelb 2000). This research aims at investigating the advertising valence in the context of direct versus indirect comparative advertising.

When consumers are exposed to direct comparative advertisements, they tend to pay more attention and simultaneously compare between the advertised and compared brands (Pechmann and Stewart 1991; Pechmann and Ratneshwar 1991; Pechmann and Esteban 1993). Since negative comparative advertisements are more memorable and credible than positive comparative advertisements (Sorescu and Gelb 2000), they can be more efficient in creating the comparative evaluating process in consumers’ minds. In addition, the fact that direct comparative advertisements make consumers believe that they contain more information than indirect comparative advertisements (Soscia et al. 2010) and negative information is actually weighed more by consumers than positive information (Sorescu and Gelb 2000) means that negatively-worded direct comparative advertisements can be superior to negatively-worded indirect comparative advertisements in motivating consumers to be extensively engaged in processing the advertising information since different consumers may refer to different competitors from the indirect comparative advertisements so the effects of negative information can be inconsistent.

Also, since the advertiser compares itself to the leading brand or to all other brands in an indirect comparative advertisement, trying to attack all other competitors or an implicit brand can lead to negative consumer attitudes or confusions (Choi and Miracle 2004; Jeon and Beatty 2002; Mniard et al. 2006; Muehling 1987; Neese and Taylor 1994; Pechmann and Ratneshwar 1991; Yang et al. 2007). It is difficult to convince consumers that all other brands are bad and the advertiser is the only one providing good products or services on the market. Therefore, consumers will have difficulty in processing the information (Pechmann and Esteban 1993). Jain and Posavac (2004) have proved that consumers tend to think positive comparative advertisements are more believable and favorable. Besides that, negative comparative advertisements have also been found to be less believable and resulted in less favorable brand attitude (Jain and Posavac 2004). The positive information can make indirect comparative advertisements more convincing and believable than negative information since indirect comparative advertising was more effective than direct comparative advertising in inducing favorable brand attitudes and purchase intentions because consumers are more familiar with direct comparative advertisements and indirect ones seem to be more novel to them (Jeon and Beatty 2002). Therefore, a positively-framed comparative advertisement can be more effective when the advertiser claims to be superior to the unidentified brand or all other brands in terms of certain product features, which is an indirect comparative advertisement. Thus, the hypothesis for the moderator of advertising valence is as following.

Hypothesis: Advertising valence moderates the relationship between advertising directness and attitude toward brand, such that,

a) when the comparative advertisement is positive, indirect comparative advertising generates more positive attitude toward brand than direct comparative advertising; and

b) when the comparative advertisement is negative, direct comparative advertising generates more positive attitude toward brand than indirect comparative advertising.
STUDY 1

Participants were 263 business undergraduate students (Mean\text{age} = 22.73, 51% female) in a large public university in the United States. Students were given extra course credits for their participations, but those who did not own cell phones were excluded. They completed an online questionnaire which contained all the measures for this study. The goal of Study 1 is to investigate the moderating effects of advertising valence on the relationship between the advertising directness and two dependent measures, attitude toward brand and purchase intention, which are stated in Hypotheses 1a and 1b. Cell phone service providers were used as the stimulus of the study. Given high cell phone penetration rate among students, having undergraduate students as participants is managerially relevant. The advertised brand was Sprint and the compared one was Verizon.

To test our hypotheses, we conducted an experiment in which a 2 (advertising directness: direct vs. indirect comparative advertising) x 2 (advertising valence: positive vs. negative wording) between-subject design is used (Figure 1). In the experiment, advertising directness was manipulated by whether Sprint specifically named Verizon as the competitor (direct comparative advertising) or not (indirect comparative advertising) in the advertisement. Advertising valence was manipulated by the wording Sprint used in the advertisement: Verizon/some firms may have been offering good plans, at Sprint, we provide the best one (positive advertising valence) or Verizon/some firm’s unlimited data plans are not really ‘unlimited’ (negative advertising valence).

Procedure

Participants were randomly assigned into one of the four experimental conditions (direct & positive, direct & negative, indirect & positive, and indirect & negative ads). First, each participant was shown the advertisement assigned and was asked to read at the advertisement. Then, the participant was asked a series of questions regarding his/her attitude toward the focal brand (Sprint). Then, the participant was asked other questions for manipulation check. In the end, the participant was asked to provide demographic information.

Manipulation Check

Participants given direct advertisements (Mean\text{direct} = 5.50) reported significantly higher scores than those given indirect advertisements (Mean\text{indirect} = 2.69) on the question of “do you think Sprint is comparing themselves to one particular competitor in the ad?” (F\textsubscript{1,161} = 161.06, p < .01) Participants given negative advertisements reported marginally significantly higher scores (Mean\text{negative} = 5.54) than those given positive advertisements (Mean\text{positive} = 5.12) on the question of “do you think Sprint is claiming they are better while the rest of field is good?” (F\textsubscript{1,261} = 3.69, p < .06). Therefore, based on the results, the manipulations worked well for participants.

Results

To test H\textsubscript{1}, we conducted two sets of analysis-of-variance (ANOVA) with a 2 (advertising directness: direct vs. indirect comparative advertising) x 2 (advertising valence: positive vs. negative wording) design with attitude toward the brand as the dependent variables and age, gender, race and marital status as covariates. The main effects of advertising directness on attitude toward brand, (F\textsubscript{1,253} = 0.04, p > .80), was not significant. In Hypothesis 1, we state that advertising valence moderates the relationship between advertising directness and attitude toward brand. Consistent with our expectation, the results showed that the interaction between advertising directness and advertising valence was significant for attitude toward the brand, (F\textsubscript{1,253} = 5.72, p < .05).

Based on the results of planned contrast, when the comparative advertisement was positive (coded as 1), indirect comparative advertising (coded as 0) significantly generated more positive attitude toward the brand (Mean\text{indirect} = 4.35) than direct comparative advertising (coded as 1, Mean\text{direct} = 3.92, F\textsubscript{1,253} = 3.65, p < .06). Therefore, Hypothesis 1a was supported. On the other hand, when the comparative advertisement was negative (coded as 0), direct comparative advertising significantly generated more
positive attitude toward brand (Mean\textsubscript{direct} = 4.31) than indirect comparative advertising (Mean\textsubscript{indirect} = 3.99, \(F_{1,253} = 2.79, p < .10\)). Thus, Hypothesis 1b was marginally supported.

Based on the results, it has been shown that direct comparisons with negatively worded messages are much more effective while positively framed messages should be coupled with indirect comparisons. That means the advertisers should focus on the weaknesses of other brands if they wish to name specific competitors in the ads. In this way, the ads give the consumers more information they would need not only to process the direct comparisons but to make their own conclusions. On the other hand, if the advertisers wish to indirectly compare themselves to other competitors, positively worded messages are actually able to help the consumers comprehend the comparisons among different brands.

Although the results from Study 1 do provide some guidelines for the advertisers in terms of how the ad messages should be worded. However, to use the information more effectively, it would be better to understand the underlying factors that influence how the consumers process direct and indirect comparisons in the ad messages they are exposed to. Therefore, we have conducted another study to better understand the mediating effects in the process.

**STUDY 2**

Participants were 111 business undergraduate students (Mean\textsubscript{age} = 23.79, 54% female) in a large public university in the United States. Students were given extra course credits for their participations. They completed an online questionnaire which contained all the measures for this study. The goal of Study 2 is to explore the underlying mechanism of the moderating effects found in Study 1. Sneakers were used as the stimulus in this study. Sneakers were chosen for the popularity among students. The advertised brand was Adidas and the compared brand was Nike.

We conducted an experiment with the same 2 (advertising directness: direct vs. indirect comparative advertising) x 2 (advertising valence: positive vs. negative wording) between-subject design as in Study 1, with behavioral intention as dependent variable. As in Study 1, advertising directness was manipulated by whether the advertised brand specifically named the compared brand as the competitor (direct comparative advertising) or not (indirect comparative advertising). Advertising valence was manipulated by the wording the advertised brand used in the advertisement: Nike/some firms may have offered decent midsole support, but, only Adidas provides the best midsole support (positive advertising valence) or Nike/some firm has offered very little midsole support, only Adidas provides the best midsole support (negative advertising valence). Several variables are included as control variables: pre-exposure attitude towards the advertised brand, familiarity with the advertised brand, and need for cognition.

**Procedure**

Participants first answered questions about their attitudes towards the advertised brand, familiarity with the advertised brand, product involvement, and need for cognition. Participants were then randomly assigned into one of the four experimental conditions (direct & positive, direct & negative, indirect & positive, and indirect & negative ads, Figure 3) and read the corresponding advertisement. After that, participants wrote down their thoughts when they read the advertisement and answered questions for manipulation check and about their intention. Demographic information was also provided by participants. To generalize the findings in Study 1, behavioral intention was measured as the dependent variable in Study 2.

**Manipulation Check**

Participants given direct advertisements (Mean\textsubscript{direct} = 6.00) reported significantly higher scores than those given indirect advertisements (Mean\textsubscript{indirect} = 3.90) on the question of “do you think Adidas compared themselves to one particular competitor in the ad” using a 7-point scale \((t_{109} = -7.27, p < .001)\). Participants responded to three manipulation check questions for valence on 7-point scales: Do you think the ad derogates another brand(s), do you think the brand criticizes another brand(s), and do you think the ad tries to damage the reputation of another brand(s) (Cronbach’s alpha = .90). These three variables were
averaged. Participants given negative advertisements reported significantly higher scores (Mean\_{negative} = 4.47) than those given positive advertisements (Mean\_{positive} = 3.57) (t\_{09} = 2.82, p < .01).

**Control Variables**

Pre-attitude towards the advertised brand was measured with same five items as the attitude measures in Study 1 using 7-point Likert scales (Cronbach’s alpha = .96) and these items were averaged. Familiarity was measured with one question “how familiar are you with the brand Adidas” with a 7-point scale with anchors not familiar at all and very familiar. Product involvement was measured with Zaichkowsky’s (1985) 20-item scale (Cronbach’s alpha = .98) and these items were averaged. To rule out the alternative explanation that some participants prefer processing information in the advertisement more than others, need for cognition was included as control variable and measured with the 18-item scale (Cacioppo, Petty, and Kao 1984). An example of this measure is “I would prefer complex to simple problems.” These 18 items were averaged (Cronbach’s alpha = .82).

**Results**

Results of a 2 (advertising directness: direct vs. indirect comparative advertising) x 2 (advertising valence: positive vs. negative wording) ANOVA with intention as the dependent variables and age, gender, pre-exposure attitude, familiarity, involvement, and need for cognition as covariates revealed a significant interaction effect ($F\_{1, 101} = 3.96, p < .05$) and no significant main effects ($F\_{3, 101} < 0.12, ps > .72$). Among the covariates, only pre-exposure attitude was significant (attitude: $F\_{1, 101} = 31.67, p < .001$; others: $F\_{3, 101} < 1.90, ps > .17$). Replicating Study 1, indirect comparative advertising significantly generated higher intention (Mean\_{indirect} = 3.48) than direct comparative advertising (Mean\_{direct} = 2.76, $F\_{1, 101} = 3.90, p = .05$) for positive comparative advertisements. And direct comparative advertising generated higher intention (Mean\_{direct} = 3.42) than indirect comparative advertising (Mean\_{indirect} = 2.94) for negative comparative advertisement, but the difference is not statistically significant ($F\_{1, 101} = 2.01, p > .05$).

We counted the number of counter arguments from the thought listing question. Examples of counter arguments are “this claim simply cannot be true,” “Adidas never had good sole support,” and “where was the testing done?” Results of a 2 (advertising directness: direct vs. indirect comparative advertising) x 2 (advertising valence: positive vs. negative wording) ANOVA with number of counter arguments as the dependent variables and age, gender, pre-exposure attitude, familiarity, involvement, and need for cognition as covariates revealed a significant interaction effect ($F\_{1, 101} = 4.81, p < .05$) and no significant main effects ($F\_{3, 101} < 0.90, ps > .34$). Among the covariates, only pre-exposure attitude was significant (attitude: $F\_{1, 101} = 31.67, p < .001$; others: $F\_{3, 101} < 1.90, ps > .17$). Planned contrasts showed that indirect comparative advertising significantly generated more counter arguments (Mean\_{indirect} = 1.42) than direct comparative advertising (Mean\_{direct} = 0.66, $F\_{1, 101} = 5.36, p < .05$) for positive comparative advertisements. And direct comparative advertising generated more counter arguments (Mean\_{direct} = 1.19) than indirect comparative advertising (Mean\_{indirect} = 0.89) for negative comparative advertisement, but the difference is not statistically significant ($F\_{1, 101} = 0.17, p > .05$).

To test the mediation effect of counter argument on intention, we closely followed the approach outlined by Preacher and Hayes (2008) and further illustrated by Zhao, Lynch, and Chen (2010). The findings (based on 5000 bootstrap samples) revealed a significant indirect effect for counter argument from the bootstrap analysis (0.34), with a 95% confidence interval that excluded zero (0.04–0.86). The total effect was not significant ($p > .11$). Furthermore, the direct effect (-0.29) of counter argument on intention was significant ($p < .05$). The product term of direct and indirect effects for counter argument was negative (-0.29*0.34 = -0.10). This pattern of results indicates an indirect-only mediation (Zhao et al. 2010).
CONCLUSIONS AND DISCUSSIONS

We developed a conceptual framework to address the research gap on direct versus indirect comparative advertising and also further investigated the effects of a potential moderator and a mediator that could help explain the mixed results found from previous research. From both of Study 1 and Study 2, we found that indirect comparative advertisements could generate more positive attitude toward the brand if the advertisements were positively-worded, while direct comparative advertisements were more effective if the advertisements were negatively-worded. The results were consistent with what we had expected. For indirect comparisons, because of the fact that the compared brand is not specified, the consumers would have difficulties to process negative messages. On the other hand, when the comparison is clearly specified, the consumer would need negative messages to help them compare and contrast. In addition, we also found that counter-arguments indirectly mediate the relationship between advertising directness and the dependent variable, behavioral intention, which indicates that there could be missing mediators or moderators.

This paper provides several managerial implications and applications. First, the findings suggest that, if the company wants to attack one particular competitor, not only should it uses negatively-worded comparative advertisements but also it has to compare a typical attribute to effectively influence consumers’ attitudes toward its own brand. Especially, nowadays we have seen more direct comparative advertisements such as Coke vs. Pepsi, Burger King vs. McDonald, and Progresso vs. Campbell’s. For those firms who would use direct comparison in their advertisements, they can negatively attack their competitors, but they have to make sure that the attributes being compared in the advertisements are typically what consumers consider.

In the cases that the company wants to claim it is better than others in general, it needs to utilize positive comparisons in its advertisements. For example, when a small firm wants to improve its relative market position by providing information that it is better than everyone else in the market, it should avoid using negative comparisons. Based on our findings, it should focus on what it is really good at and emphasize on the claim that “we know some of them are good, but we are the best”.

We hope this study not only can advance our current understanding on the effectiveness of comparative advertising, but also create a new research stream that specifically addresses direct and indirect comparative advertising. This indirect-only mediating effect provides another explanation for the inconclusive findings of the relationship between advertising directness and consumer responses. To our best knowledge, this is the first research that specifically focused on the mediating effect of counter-arguments on the effectiveness of comparative advertising. We hope this research can not only advance our knowledge in the literature but also initiate a new research stream that can take us further in comparative advertising research. However, there were some limitations in the present paper. The moderator, advertising valence, is one of advertisement characteristics. We did not consider individual characteristics like brand familiarity and product involvement or market characteristics like market dominance and industry crowedness. In the future, we also believe that these variables are certainly worth being investigated by marketing researchers to make this research stream more complete.
REFERENCES


