



NOTICE: this is the accepted author manuscript (AAM) or post-print which was accepted for publication in *Australasian Marketing Journal*. Changes resulting from the publishing process, such as peer review, editing, corrections, structural formatting, and other quality control mechanisms are reflected in this document. This version is licensed under a Creative Commons CC-BY-NC-ND 4.0 license (<http://creativecommons.org/licenses/by-nc-nd/4.0/>).

A definitive version was subsequently published in *Australasian Marketing Journal*, vol. 24, no. 1, pp. 20-28, 2016, DOI: [dx.doi.org/10.1016/j.ausmj.2015.12.002](https://doi.org/10.1016/j.ausmj.2015.12.002)

Is indirect branding more effective than direct branding in advertising?

Abstract

Advertising research has largely neglected to evaluate the relative effectiveness of the different forms of branding devices available to advertisers. Branding can be direct, through explicit use of brand names, or indirect, through use of (non-brand name) brand elements, such as logos, spokes-characters and slogans that are connected to the brand in consumers' memory. Advertisers often downplay brand names in favour of brand elements because the latter are seen as less intrusive and more creative. This experiment in three categories demonstrates that direct branding often produces higher brand recall than indirect branding without compromising advertising likeability. There is, however, a clear picture-superiority effect, whereby picture elements (logos, spokes-characters) consistently elicit higher brand recall than text elements (slogans). The findings highlight that advertisers need not be reluctant to call out the brand name for fear of losing attention due to an unappealing ad, because consumers do not appear to penalise advertising with direct branding, nor do they reward advertising with subtler indirect branding.

1. Introduction

Branding in an advertising context is the audiovisual presence and prominence of the brand throughout advertising content (Teixeira, Wedel, & Pieters, 2010). *Good* branding is a tenet of effective advertising, most advertising theories agree that consumers must register the advertised brand (on some level) in order to influence their buying propensities and be successful (Romaniuk, 2009). Even so, large-scale studies report that about half of advertising fails to make this all-important link to the brand in consumers' memories (du Plessis, 1994a; Franzen, 1994). Such findings suggest there is scope to learn more about *how* to better execute branding in advertising so that the brand is processed during exposure and remembered post exposure.

Two forms of branding have been suggested but not fully explored in terms of their relative efficacy by the advertising literature. But before discussing the advertising literature, we must first address the relevant branding literature, specifically the conceptualisation of brand identity. Brand identity is the means by which consumers identify different brands through distinctive (predominantly visual) features and it is an important component of brand equity (Kohli, Suri, & Thakor, 2002; Wheeler, 2013; Zaichkowsky, 2010). A strong brand identity can be achieved through developing well-known sensory cues, which are termed brand elements (Keller, 2003, 2005) or identity elements (Zaichkowsky, 2010), also trademarks (Hoek & Gendall, 2010). Brand elements include the brand name, logo, symbols, packaging, shapes, colours, fonts, spokes-characters, slogans, jingles, sounds, and/or even styles of advertising (Keller, 2005; Major, Tanaka, & Romaniuk, 2014; Zaichkowsky, 2010). A strong brand identity, or a strong brand element, makes it easy for consumers to quickly recognise the brands they use amongst the competitive set (Hoek & Gendall, 2010).

These brand elements can be separated at a most basic level into direct and indirect branding classifications. Direct branding involves showing or saying the brand name; for

example, the name McDonald's can stand-alone or feature on packaging (or retailscapes). Indirect branding, on the other hand, involves showing brand elements that do not state the brand name but are linked with the brand in consumer memory through past brand experiences or exposure to advertising that features brand elements. Continuing the McDonald's example, brand elements might include the golden arches logo, 'I'm loving it' slogan, the colour red, the Ronald McDonald spokes-character, and so on.

Advertising research that has looked at the effects of branding on attention and memory has often neglected to consider the separate contributions of these two forms of branding (e.g. Pieters & Wedel, 2004b; Romaniuk, 2009; Rosbergen, Pieters, & Wedel, 1997; Walker & von Gonten, 1989). Branding in these studies is either limited to direct branding or the two forms are grouped together. It is theoretically and practically possible to examine the influence of direct and indirect branding separately, yet, their differential impact on advertising effectiveness remains largely untested. Theory would suggest that the greater sensory nature of brand elements would make them better at attracting attention and encouraging mental processing than the brand name (Keller, Aperia, & Georgson, 2008; Kohli, Thomas, & Suri, 2013). But with both forms of branding present in many ads, controlled testing becomes necessary to examine the relative effectiveness of each type of cue. This study looks to contrast how the inclusion of direct and indirect branding, as well as different types of brand elements, impacts advertising effectiveness using measures of brand recall and ad likeability.

2. Background

2.1 Branding in advertising

Advertising has the significant challenge of trying to gain some level of mental processing from mostly distracted, disinterested audiences (Krugman, Cameron, & White,

1995). Creating memory structures to facilitate brand recall is particularly important because there are usually time delays between receiving advertising and being able to act upon it (Kennedy, Sharp, & Hartnett, 2013). Branding, as part of advertising content must compete with other creative devices to be noticed and stored in memory. Copywriters believe their primary task is to break through clutter and disinterest to deliver their message (Kover, 1995). It is not contested that cut-through is incredibly important, but all too often the creative tactics that are used to draw and maintain attention (e.g. surprise, drama, humor, celebrities) dominate the foreground of advertising content, directing attention away from branding (Keller, 2007).

Marketers and advertising agencies often struggle to balance branding and creativity to achieve their objectives. Some creatives suspect that intense branding through large or frequent exposures is counterproductive because it alerts consumers to the presence of advertising, which they will actively try to filter out. Some take a most extreme view, for example; *“Why advertise the fact that an ad is an ad? The less an ad looks like an ad, the more likely it is to be noticed”* (Aitchison, 1999, p. 72). There is some supporting evidence for this sentiment, demonstrating that central sustained branding can promote advertising avoidance, however, avoidance behaviours can be reduced by pulsing the branding throughout the creative without reducing total branding activity (Teixeira et al., 2010).

Studies such as this, however, have restricted their investigations to only direct branding (brand name) and do not report on the – possibly unintended – inclusion of indirect branding (brand elements) that could have impacted effectiveness. We propose these different forms of branding will have differential effects on consumers’ capacity to process the brand as an important part of ads. We now consider how brand elements are used in practice, either added to brand name exposures (supplement) or instead of brand name exposures (supplant). We then discuss the possible memory effects of these different advertising strategies.

2.2. Brand elements in advertising

Many believe that including brand elements in advertising should increase brand recall (e.g. du Plessis, 1994a; Franzen, 1994; Keller, 2003; Romaniuk, Sharp, & Ehrenberg, 2007; Rossiter, Percy, & Donovan, 1991). This is intuitively sound, as brand elements are assumed to supplement the brand name, increasing the brand's total footprint in advertising by providing additional opportunities to see some form of branding. These are hereon referred to as dual branded ads.

Others go further to suggest that the best ads are recognisable via indirect branding alone, for example; *"You ought to be able to write a letter [analogy for advertising], not sign it, and everybody ought to know who it comes from because it's written in your tone of voice, your handwriting, and about things in which you're interested"* (Aitchison, 1999, p. 71). Here brand elements supplant the brand name, removing direct branding altogether. Under these circumstances, consumers must rely on their already existing knowledge of brand elements related to specific brands. These represent two very different advertising strategies.

There are many examples of advertisers supplanting brand names for brand elements. In Figure 1, for example, only brand elements (a slogan and a logo) are used to signal the advertiser (Nike). These practices suggest that advertisers view brand elements as equivalent or even superior to brand names as the means for signaling brands. Poiesz and Verhallen (1989) tested brand recognition for ads without brand names (across nappies, washing powders and cosmetics categories) and found large variation in brand recognition scores, ranging from 2% to 89%. However, the authors provided little information about the brand elements that were used or how the brand elements were executed, which is necessary to provide guidance for theoretical development or advertising practice. More, systematic research should identify the conditions under which the different types of branding work best.

Figure 1: Indirect branding only advertising ('Saint Rooney', 2007)



3. Research Hypotheses and Questions

Brands with a network of strong and uniquely associated brand elements generally become more accessible in consumer memory (Keller, 1993; McCracken & Macklin, 1998; Warlop, Ratneshwar, & van Osselaer, 2005). Once established, brand elements provide consumers with an increased number of cues to recognise brands, both in and out of the store. One in five consumers claim that colours, jingles, or tone of voice helped them to identify brand advertising (Klein, 1990). To harness the power of branding though, more research is needed to understand what types of brand elements are most effective (e.g. are spokes-characters more effective than slogans, assuming they are similarly strong for the brand), as well as document the conditions where this holds (e.g. consistent effects across categories and different advertising executions).

3.1 Brand name and brand elements related to brand recall

Brand names are the immediate representation of the desired evoked memory (i.e. the ad was for Nike), which makes the pathway to brand retrieval direct and fast, in line with the Associative Network Theories of long-term memory (Anderson & Bower, 1979). Despite being a direct pathway, a brand name only consists of written or spoken word(s). Evidence shows processing written stimuli is more strenuous than processing images, and that words are also less likely to be dually encoded in memory, as per Dual Coding Theory (Paivio, 1991; Snodgrass & McClure, 1975). This may limit activation in memory and result in retrieval failure (Collins & Loftus, 1975).

Brand elements, on the other hand, utilise a two-step memory process. To work effectively, consumers need to register the brand element (i.e. see it, recognise it) and retrieve the brand name stored in longer-term memory. This indirect path is slower and can also result in retrieval failure (Shiffrin & Atkinson, 1969). If spreading activation does not occur due to insufficient activation across the brand element-to-brand link, the brand element will be processed as a creative device only, without fulfilling its branding objective.

Counterbalancing this disadvantage, brand elements are typically richer in visual imagery, including shapes, colours and (implied) movement. Even written slogans often have evocative meaning (e.g., ‘Just do it’) or include mnemonic devices such as rhyme and word play (Reece, Vanden Bergh, & Li, 1994) that may increase the depth of processing. Deeper processing can prompt additional activation and stronger pathways to the brand name, thereby potentially compensating for the indirect pathway and perhaps even exceeding the direct, but less rich, brand name retrieval process.

Visual (or audio) richness of brand elements may also draw more attention, both to the brand elements as part of the advertising content, and to the ad as a whole, compared to brand names. However, the attention-getting capacity of brand elements must be tempered by the

more strenuous cognitive task necessary to evoke the brand name from memory, already discussed, especially given the low levels of processing commonly ascribed to advertising (Franzen, 1994; Heath, 2001; Krugman, 2000). It is possible that brand elements will not efficiently or effectively evoke the brand name for all viewers under conditions of fleeting low attention, even if the link between the brand element and the brand name exists in memory. This leads to two competing hypotheses:

H1a: The brand name will lead to higher brand recall than a brand element if having a direct retrieval path is more beneficial than multiple, albeit indirect retrieval paths.

H1b: A brand element will lead to higher brand recall than the brand name if having multiple, indirect retrieval paths is more beneficial than a direct retrieval path.

Advertisers create and use a wide range of brand elements (e.g. colours, shapes, words, spokes-characters) but not all brand elements will have the same power to stimulate consumer processing. In visual media, such as print or outdoor, written words have limited ability to compete amongst other creative visual imagery. Visual imagery generally commands greater attention, called the picture-superiority effect, which is well documented in the cognitive psychology literature. Pictures are consistently more memorable than written words, using both recognition and free recall tests (e.g. Durso & O'Sullivan, 1983; Nelson, Reed, & Walling, 1976; Paivio & Csapo, 1973). Specific to advertising, picture ads are recalled more often than text ads (Shepard, 1967; Starch, 1966) and within content, pictures are recalled more often than text (Childers, Heckler, & Houston, 1986). Eye-tracking studies show that 9 in 10 people first look at pictures in advertising (Franzen, 1994) and that pictures attract more baseline attention irrespective of their size (Pieters & Wedel, 2004a). This puts text brand elements, such as slogans, in a similar position to showing the brand name.

Therefore, we hypothesise that picture brand elements will have superior memory effects to text brand elements across both advertising strategies.

H2: Advertising that supplants/supplements the brand name with a picture brand element will have higher brand recall than advertising that supplants/supplements the brand name with a text brand element.

3.2 Brand name and brand elements related to advertising likeability

Good branding should increase brand recall but if this happens at the expense of advertising likeability overall advertising effectiveness may suffer. Likeability matters because it can predict advertising sales success reasonably well (Haley & Baldinger, 1991). It is possible that prominent or repetitive branding, particularly direct branding, could induce boredom, which is related to disliked advertising (du Plessis, 1994b). Prominent branding may also encourage viewers to mentally switch off, directing attention away from advertising (Aitchison, 1999). This leads practitioners (consciously or otherwise) to make trade-offs between branding and creativity. Brand elements are a proposed solution to circumvent the ‘wall’ consumers place between themselves and advertising, such that the brand is not consciously registered but still processed (Lindstrom, 2008).

Taking the viewpoint that a noticeable brand name detracts from viewers’ experience, it is possible that ads that include *only* the brand name are less liked than ads that include *only* a brand element. For dual branded ads (with both direct and indirect branding) there are three possible scenarios possible. First, the appeal of the brand element’s presence could negate dislike of the brand name’s presence. Emotions dictate much of what draws our visual attention (Maughan, Gutnikov, & Stevens, 2007) and so the aesthetic appeal and creativity of brand elements (Schmitt & Simonson, 1997) could leave a stronger impression, overriding feelings associated with the presence of the brand name. Hence, likeability for dual branded

ads would be similar to ads that include only a brand element. Second, using both forms of branding could instead lead to greater dislike because of the presence of too much branding, in which case, dual branded ads would be less liked than ads using only one form of branding (either direct or indirect). Third, it is possible that the form and/or amount of branding make no difference to viewers. One experiment that attempted to unpack advertising elements related to likeability found brand logos had no measurable contribution (e.g. Decrop, 2007; Polegato & Bjerke, 2009). Therefore, it is possible that likeability would be the same for direct and indirect branding, separately and together.

RQ1: How does the presence of direct and/or indirect branding relate to advertising likeability?

4. Method

The study was an experiment using magazine advertising. The research purpose communicated to respondents was an international publisher seeking feedback on a potential magazine launch. *Your Family*, a South African publication, provided an excerpt of editorial content and filler advertising was selected from a range of international magazines that respondents were unlikely to have seen previously. Respondents were recruited via an established Internet panel to view the magazine online in their homes at their leisure, making the study naturalistic and externally valid. All 1,224 respondents were female (the target audience), aged 18 to 54 years, and lived in a large Australian capital city.

4.1 Design and stimuli

We used a between-subjects design that manipulated including the brand name (present or absent), a brand element (present or absent), and the type of brand element

(picture or text). This led to an incomplete but balanced factorial design with five conditions, excluding three nonsense conditions, which are shown in Table 1.

Table 1: Experimental design
















Condition	Brand name (present/absent)	Brand element (present/absent)	Brand element mode (picture/text)
(1) Brand name only (benchmark)	Present	Absent	Picture (n/a)
	Present	Absent	Text (n/a)
(2) Brand element only (picture)	Absent	Present	Picture
(3) Brand element only (text)	Absent	Present	Text
(4) Brand name & element (picture)	Present	Present	Picture
(5) Brand name & element (text)	Present	Present	Text
	Absent	Absent	Picture (n/a)
	Absent	Absent	Text (n/a)

Ads were created for the five conditions for three real brands, each from a different product category to test the generalisability of results. The categories included banking, chocolate, and pasta sauce, representing both services and consumer packaged goods (CPG), as well as impulse and planned purchases. The specific brands (Commonwealth Bank, Cadbury Dairy Milk, and Dolmio) were chosen because they each had established picture *and* text identity elements that had featured in their advertising for at least two years prior to this study (e.g. for Commonwealth Bank, these are the yellow and black diamond logo and the ‘Which bank?’ slogan). Consumers, therefore, had a reasonable chance of learning the brand elements were connected to the brands. Incidentally, the three brands in the study were all large brands in their respective categories. It seems larger brands more often develop and maintain brand elements, supported by larger advertising budgets.

Figure 2 displays the print ads that were produced by a professional designer, which depict the picture and text brand elements for each of the brands. All ads were full-page colour and had three primary components: the creative image, the headline, and the branding manipulations. The creative images and headlines were chosen to provide clear category prompts, which was confirmed by a pilot test with a panel of advertising research experts.

Branding was confined to the bottom-right hand corner, which is common for magazine advertising (Wells, Burnett, & Moriarty, 1989). Any text in all of the ads was presented in the same neutral font, including headlines, brand names, and slogans. This was done to avoid unique fonts potentially confounding results by making one brand more visually recognisable or outstanding than another, which was a risk for brand names particularly.

Figure 2: Experiment ads

Condition 1 Brand Name Only	Condition 2 Brand element only (picture)	Condition 3 Brand element only (text)	Condition 4 Brand name & element (picture)	Condition 5 Brand name & element (text)
Achieve your savings goals. Bank with us.	Achieve your savings goals. Bank with us.	Achieve your savings goals. Bank with us.	Achieve your savings goals. Bank with us.	Achieve your savings goals. Bank with us.
				
Commonwealth Bank	Commonwealth Bank	Which bank? Commonwealth Bank		Which bank?
Chocolate that will make you melt	Chocolate that will make you melt	Chocolate that will make you melt	Chocolate that will make you melt	Chocolate that will make you melt
				
Cadbury	Cadbury	A glass and a half full of joy Cadbury		A glass and a half full of joy Cadbury
Pasta sauce made with the tastiest ingredients	Pasta sauce made with the tastiest ingredients	Pasta sauce made with the tastiest ingredients	Pasta sauce made with the tastiest ingredients	Pasta sauce made with the tastiest ingredients
				
Dolmio	Dolmio	Wear the grin Dolmio		Wear the grin Dolmio

When designing the supplemented/dual branded ads, brand elements were consistently presented above the brand names. To differentiate the slogans from the brand names, the slogans were printed in a smaller font size. Because slogans were typically longer than brand

names, the total surface size of each was somewhat comparable. The picture brand elements (logos, spokes-characters) were also made comparable in size across categories.

4.2 Procedure

Respondents were instructed to read the online magazine as they would normally, at home or in a waiting room. Each respondent saw one of the five conditions (assigned randomly) for each category. Respondents viewed the magazine excerpt for 345 seconds, on average, i.e. around six minutes. Most (six in 10) viewed the magazine for one to four minutes and less than 1% viewed the magazine for less than a minute.

After looking through the magazine, respondents were immediately directed to the online survey to answer questions about the editorial and advertising content. To measure advertising recall, respondents were asked if they remembered each of the ads with category prompts: *Do you recall any ads for chocolate from the magazine?* (Yes/No). If respondents recalled one or more of the test ads, they were then asked if they could recall the brand advertised: *Do you recall the brand of chocolate advertised?* Responses were open-ended, requiring respondents to write the brand's name, with a 'Don't know' option too. The brand recall measure is the proportion of respondents (of those who recalled the ad) that recalled the brand name with reasonably accurate spelling. Respondents were then re-shown the ads and asked to indicate how much they liked each using a five-point scale, as per Haley and Baldinger (1991).

Finally, at the end of the survey, we tested respondents' knowledge of the brand elements included in the study to confirm that they did have strong, unique connections to the brands in respondents' memory. We used a validated measurement approach (Romaniuk & Nenycz-Thiel, 2014) that involved showing respondents the brand elements and asking them to recall, unprompted, the brand(s) they believed were associated to these. Respondents could

link multiple/different brands to any brand element. The approach results in two metrics: prevalence and uniqueness. Brand elements were tested from many brands in each category to not draw focus to the specific brands/brand elements included in the study.

5. Results

Of the 1,224 respondents recruited, 989 recalled at least one of the three test ads they were exposed to. Respondents recalled one (n=290), two (n=415), or all three (n=284) of the test ads, which provided 1,972 observations to analyse. Despite the rotations, chocolate ads were the most recalled (67%), followed by pasta sauce (50%), and banking (45%). These differences could be attributed to category and/or creative image effects. Respondents who did not recall any of the test ads were excluded from further analysis because brand recall was not recorded.

To check brand element equivalence across categories, we first looked at respondents' knowledge of the specific brand elements used in this study. We considered how many respondents linked the appropriate brand to the brand element (prevalence) and of all the brands linked to the brand element across respondents, what proportion was the correct brand (uniqueness). There was significant variation on the prevalence measure across the brand elements, which ranged from 76% to 97% for pictures; $\chi^2(2)=175.25, p<.001$, and from 72% to 87% for slogans; $\chi^2(2)=56.66, p<.001$. This finding reflects reality in regards to how well known brand elements are. Some of the worlds most popular brand elements are not as famous as we might expect in spite of long-term, substantive use across marketing activities. Kohli, et al. (2013), for example, found that only 58% of people who recognised 'Just do it' connected the slogan to Nike. Many studies show that brand elements are often linked to competitors or to nothing at all (e.g. Miller & Berry, 1998; Reece et al., 1994; Tom et al., 1993). There was less variation on the uniqueness measure, which was generally high across

brand elements, indicating few (incorrect) links to competitors. Uniqueness ranged from 94% to 100% for picture elements; $\chi^2(2)=48.35, p<.001$, and from 98% to 99% for slogans; $\chi^2(2)=2.40, p>.05$.

Differences in brand element strength did pose an issue because this should affect brand recall. That is, stronger elements should be more effective at prompting memory for the brand than weaker ones. To overcome this disparity and to be able to accurately interpret results, the data was filtered to include only respondents who made a unique link between the brand element and the brand name in the following analyses. The findings therefore represent a *best-case scenario*, when a brand has the strongest possible brand element across the entire consumer base.

5.1 Brand recall results

Brand name only (Condition 1) was the benchmark to which other conditions were compared. Logistic regression was used to quantify the effect of the different conditions on brand recall, with models run for the aggregated data (three categories combined) and for individual categories. We first report whether the predicted effects are evident overall (aggregated data) and then examine differences between conditions for the specific categories to determine how consistent/generalisable the results are.

To examine the face validity of the data, we checked that adding a brand element to ads did increase brand recall over-and-above using the brand name only, as would be expected. Tests confirmed brand recall was higher for supplemented conditions compared to benchmark conditions (i.e. 65% vs. 56% for picture elements and 61% vs. 56% for slogans). The logistic regression model was significant for picture elements; $\chi^2(1)=6.31, p<.05$, but not for slogans; $\chi^2(1)=2.29, p=.13$. The explained variance between conditions was quite low, however (Nagelkerke R^2 was 1.2% and 0.5%, respectively).

5.2 Brand recall results for supplanted conditions

Table 2 presents logistic regression results comparing brand recall for the benchmark brand only conditions against the brand element only (supplanted) conditions, separated by type of brand element to address competing hypotheses H1a and H1b.

The aggregated results indicate that when ads supplanted the brand name with a picture element they achieved similar brand recall to when using the brand name (56% for both), but ads that supplanted the brand name with a slogan had significantly lower brand recall (56% vs. 27%).

Table 2: % Brand recall for brand only (benchmark) versus supplanted conditions

	Brand name only	Picture only	Text only	Exp (b)	Confidence interval	p	Nagelkerke R ²
<u>Aggregated</u>							
Brand only vs. picture only	56	56	/	0.99	0.9-1.1	.88	.000
Brand only vs. text only	56	/	27	0.55	0.5-0.6	**0.00	.108
<u>Brand only vs. picture only</u>							
Banking	70	81	/	1.38	1.0-1.9	*.06	.027
Chocolate	51	41	/	0.81	0.6-1.0	*.08	.014
Pasta sauce	51	51	/	1.00	0.8-1.3	1.00	.000
<u>Brand only vs. text only</u>							
Banking	70	/	52	0.69	0.5-0.9	**0.02	.044
Chocolate	50	/	14	0.40	0.3-0.5	**0.00	.209
Pasta sauce	51	/	26	0.59	0.4-0.8	**0.00	.085

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

Examining the categories separately, however, the results for picture elements do vary across the different brands. Using the logo instead of the brand name for banking resulted in higher brand recall, with a marginally significant increase in the odds of brand recall of 38% (indicated by the Exp (b)), bolstering the aggregate result. The logo for chocolate, however, had the opposite effect; using the logo resulted in lower brand recall, with a marginally significant decrease in the odds of brand recall of 19%. The spokes-character for pasta sauce was equivalent to using the brand name, where both ads achieved the same brand recall scores. The results for the different slogans, meanwhile, were directionally consistent

(negative) but with varying magnitude; the reduction in the odds of brand recall ranged from 30% to 60%.

The majority of results therefore suggest that the direct brand name retrieval path typically leads to higher brand recall than the indirect brand elements path. Hence, the evidence favors accepting H1a over H1b.

5.3 Brand recall results for picture elements versus slogans

Table 3 presents results comparing the effects of picture elements and slogans for both the supplanted and supplemented conditions to address H2. It appears that the picture superiority effect is strong for the supplanted conditions, with increased odds of brand recall of 82% when using a picture element rather than a slogan. However, the picture superiority effect is much less apparent for the supplemented conditions, where there is a small but not significant increase in the odds of brand recall of 9%.

Table 3: % Brand recall for picture versus text brand element across conditions

	Picture elements	Text elements	Exp (b)	Confidence interval	p	Nagelkerke R ²
<u>Aggregated</u>						
Supplanted conditions	56	27	1.82	1.6-2.1	** .00	.107
Supplemented conditions	65	61	1.09	0.9-1.3	.27	.002
<u>Supplanted conditions</u>						
Banking	81	52	1.98	1.4-2.7	** .00	.127
Chocolate	41	14	2.09	1.6-2.8	** .00	.133
Pasta sauce	51	26	1.69	1.2-2.3	** .00	.082
<u>Supplemented conditions</u>						
Banking	84	74	1.38	1.0-1.9	* .05	.026
Chocolate	53	56	0.95	0.8-1.2	.62	.001
Pasta sauce	63	57	1.14	0.8-1.5	.40	.005

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

For the supplanted conditions, the results are very consistent across categories. All picture elements (logos or a spokes-character) are associated with much higher brand recall than slogans when used to replace the brand name. For the supplemented conditions, however, the picture superiority effect is evident for banking only, whilst the addition of

either a picture or text element resulted in similar levels of brand recall for chocolate and pasta sauce categories.

Even so, there is general support for H2, that picture brand elements are more effective than slogans as branding devices in print advertising.

5.4 Exceptions to the general patterns for brand recall results across categories

We suspect the execution of the advertising creative content and brand elements, and possibly the choice of brands, are the basis for the conflicting results seen for the banking and chocolate picture elements. The Commonwealth Bank logo was very effective for both branding conditions (supplanted and supplemented), whereas the Cadbury Dairy Milk chocolate logo was rather ineffective for both conditions.

The images selected as the creative content for each of the categories inevitably differed, with different colours and visual balance. For banking this is the piggy bank on top of banknotes and for chocolate this is the melted chocolate (please refer back to Figure 2). Differences between these visuals presumably had some differential effect on attention devoted to the branding component of the ads between categories. The superior result for banking could be somewhat attributed to having the most 'white space' of the three categories, which may have allowed the yellow diamond logo to stand out more, relative to the picture elements in other categories. Meanwhile, the inferior result for chocolate suggests the milk glasses logo did not draw sufficient attention to be noticed and remembered (to replace or add to the presence of the brand name). It is possible that the branding was simply overwhelmed by the creative execution, again relative to the other categories. Moreover, although all picture brand elements were similarly sized, the logos are quite aesthetically different. The chocolate logo was presented as white on a darker background, whereas the other brand elements included colour. Ogilvy (1985) repeatedly found that white text on a

black background (called reverse-type) was more difficult to read than black text on a white background. Because the brand element was presented in this way, it possibly made it harder to visually process.

To explore this finding further, we looked at additional information that was collected prior to the dependent variables (i.e. after ad recall but before brand recall and likeability). Respondents were first asked to recall up to five things that they remembered from the ads. Only 3% of respondents described the Cadbury Dairy Milk logo for the supplemented picture element conditions, whereas significantly more respondents accurately described the picture elements for the other categories (circa 20% or more). Further, this particular logo is normally shown on a purple background, both on packaging and in advertising, therefore, it is possible that the ads in our experiment departed from consumers' expectations for this brand and made the logo less noticeable. Anecdotally, 3% of respondents also 'remembered' seeing the colour purple, even though it wasn't there.

The superior result for banking could alternatively be a category or brand specific effect. Banks use picture brand elements prominently and consistently across ATMs, branches, and websites, making these brands' elements potentially more recognisable and better able to evoke brand names from consumers' memory. Moreover, there are only four major competitors in the market, of which Commonwealth Bank is the oldest and largest, making the task of identifying the brands advertised easier compared to categories that have many more competitors, such as chocolate. It could also be a conditioning effect from past Commonwealth Bank advertising. Prior to this experiment, the brand had already used brand elements to supplant the brand name in national campaigns. Respondents may have already become accustomed to making the connection from logo-to-brand for this brand's advertising in particular. It would be beneficial for future studies to investigate other brands that

frequently replace the brand name with brand elements, such as Nike, McDonald’s and Coca-Cola, to see if this finding replicates.

5.5 Advertising likeability results

One-way ANOVA was used to compare mean likeability scores between the conditions, which served as the independent variables, for each of the brands. The analysis was run separately for the two types of brand elements (picture and text) to continue to control for respondents’ knowledge. Table 4 shows the results.

Table 4: Mean likeability scores across conditions

	Brand name only	Supplemented conditions	Supplanted conditions	F	p
<u>Picture elements</u>					
Banking	3.6 (94)*	3.5 (112)	3.6 (106)	.84	.43
Chocolate	4.2 (147)	4.3 (151)	4.2 (150)	1.20	.30
Pasta sauce	3.9 (97)	4.0 (102)	3.9 (99)	1.88	.16
<u>Text elements</u>					
Banking	3.6 (80)	3.5 (109)	3.5 (82)	1.15	.32
Chocolate	4.2 (132)	4.3 (165)	4.2 (145)	.97	.38
Pasta sauce	3.8 (96)	3.9 (83)	3.8 (91)	.50	.61

*() Brackets indicate the respondent sample size underpinning the mean scores

Mean likeability scores were very similar between the three conditions, irrespective of the type of brand element. This was the case for each of the brands. Post hoc tests revealed no significant differences between the different combinations of the conditions for each of the brands also. There are obvious differences between the categories in regards to how liked the ads were generally; the chocolate ads were consistently the most liked for each of the conditions and the banking ads were consistently the least liked. The reasons for this could be related to people’s feelings towards the different categories (e.g. chocolate is more enjoyable than banking), the specific brands (e.g. based on brand usage and image), or the executions themselves (e.g. the creative images were more or less appealing). However, our focus is not to compare the brands/categories in this way, but to observe the relationship between the different branding conditions and how likeable they are, with the three brands/categories

providing three tests. What we see is a repeating pattern; the mean likeability scores of ads with different types/amount of branding devices (brand name and/or brand element) were very similar. Therefore, to answer the research question, there is no apparent relationship between advertising likeability and the presence of direct and/or indirect branding.

6. Discussion

Advertising practice shows advertisers prioritising brand elements over brand names, suspecting such ads will gain greater attention and be more appealing to consumers. We sought to empirically test how using brand elements compares to using brand names in advertising, with an experiment conducted across multiple categories that teased apart the relative effectiveness of using: (1) only the brand name, (2) the brand name *and* a brand element, and (3) only a brand element, in a print advertising context. We also compared picture and text brand elements. Even though we did find some category differences, presumably due to creative differences in the ads and/or the brand elements themselves, the patterns of results were remarkably consistent.

We find, for the most part, indirect branding was not equal, nor superior, to direct branding in advertising, contradicting Aitchison (1999) and colleagues. Replacing brand names with brand elements is, therefore, considered a risky strategy. This is particularly apparent if we consider that the findings represent brand elements that are linked uniquely to the brands by *all people* exposed to the ads. For most advertisers, they will not possess such strong brand elements. Therefore, the size of the positive effects seen here when supplementing brand names with brand elements are likely to be weaker for less well-known brand elements, whilst the general negative effects when supplanting brand names with brand elements should be even stronger. Similarly, in the cases where picture elements equaled or exceeded the brand name (i.e. the Commonwealth Bank logo and Dolmio spokes-character

for the supplanted conditions), this is less likely to occur for less well-known picture elements too.

The experiment demonstrated that the most effective advertising included a brand element *and* the brand name. Brand recall was highest in this condition with no discernable effect on likeability; regardless of how branding was executed. It appears that consumers do not consciously penalise advertising that explicitly states the brand name, nor do they reward advertising that signals the brand implicitly through brand elements. We suggest advertisers do not need to make trade-offs between these different branding cues. To design better-branded advertising, the optimal use of brand elements is *with* the brand name, which can be achieved without jeopardising likeability.

Picture brand elements improved brand recall more than text brand elements, which supports and extends the body of evidence regarding the picture superiority effect applied to advertising research (e.g. Childers et al., 1986). The superiority of picture elements over slogans was most pronounced for supplanted conditions, where brand elements had to ‘stand and deliver’ alone. There was some evidence that a picture element can be as effective as using the brand name, for two of three categories, but slogans were systematically much less effective branding devices than the brand name. There were some conflicting results between the picture elements, already discussed, which highlight the importance of *how* brand elements are executed. Mere presence does not guarantee that a picture element will improve brand recall or equal a direct brand name exposure.

This study contributes to our understanding of the processing of different types of branding to facilitate brand recall in advertising. It extends the findings of Poiesz and Verhallen (1989) and Abernethy and Laband (2004), but more research is needed to establish what constitutes more effective execution of the different types of brand elements, both across other media, and related to other advertising effectiveness measures (e.g. in-market sales).

The major implication for advertising practice is highlighting the value to be gained by investing in building and defending strong brand elements. The findings reinforce the need for marketers to make a long-term commitment to their brand elements; to consistently use them, without changing or radically updating needlessly, and to not let consumers forget (Kennedy et al., 2013). But, at the same time, advertisers must not forsake the brand's name as an incredibly important branding device.

If looking to develop a brand element, picture elements that use colour look particularly worthy of consideration, in order to stand out amongst other creative advertising elements. Advertisers should review any new campaigns to ensure that their brand elements are included and consistent with what has been put into the market before, and also monitor the strength of their brand elements, over time, as part of ongoing brand health tracking (Romaniuk, 2013). Measurement indicates whether marketing activities that are intended to build and maintain these brand elements are being successful.

7. Limitations and future research

There are some shortcomings to our method, as is often the case with experimental research designed to ensure adequate controls. Our design placed several constraints on how the advertising content and brand elements could be executed. All ads featured a blatant category prompt, which is not typical of all advertising. Only one brand element (picture or slogan) was used in the ads and these were relatively small in size, as well as consistently placed in the bottom right-hand corner. The brand name was also stripped of its font, possibly reducing its effectiveness too.

Future research would benefit from using real advertising with varied executions of the brand name and brand elements, in different sizes and positions, as well as different combinations of brand elements, to extend our findings. Data collected in-market, such as the

‘Which Ad Pulled Best’ studies (Purvis & Buron, 2003) or split cable experiments (Lodish et al., 1995) would be beneficial to further test our findings, especially on behavioural measures (e.g. call-rates, purchases). Research conducted in other media is also important to examine all types of brand elements, such as jingles and sounds in television, radio, or online advertising. Brand elements that can be simultaneously visual and auditory, such as slogans or spokes-characters, may be more effective in other media than what was found here. This has been found to be the case in regards to executing the brand name in television advertising (Romaniuk, 2009).

It is possible that in time we may be able to better understand the relative effect of direct and indirect branding devices at a subconscious level using new approaches from the developing fields of biometrics and neurometrics (Noble, 2013). Given that advertising is typically processed with minimal attention and little can be consciously recalled, these measures are appealing. However, it appears this is some way off, given interpretation of such data is highly complex and mostly inconsistent for now (Stipp & Woodard, 2011).

Reference list

- Abernethy, A. M., & Laband, D. N. (2004). The impact of trademarks and advertisement size on Yellow Page call rates. *Journal of Advertising Research*, *March*, 119-125.
- Aitchison, J. (1999). *Cutting edge advertising: how to create the world's best print for brands in the 21st century*. Singapore: Prentice Hall.
- Anderson, J. R., & Bower, G. H. (1979). *Human Associative Memory*. Hillsdale, NJ: Lawrence Erlbaum.
- Childers, T. L., Heckler, S. E., & Houston, M. J. (1986). Memory for the visual and verbal components of print advertisements. *Psychology & Marketing*, *3*(3), 137-149. Retrieved from <http://ezlibproxy.unisa.edu.au/login?url=http://search.ebscohost.com/login.aspx?direct=true&db=ufh&AN=11580091&site=ehost-live>
- Collins, A. M., & Loftus, E. F. (1975). A Spreading Activation Theory of Semantic Processing. *Psychological Review*, *82*(6), 407-428.
- Decrop, A. (2007). The influence of message format on the effectiveness of print advertisements for tourism destinations. *International Journal of Advertising*, *26*(4), 505-525.
- du Plessis, E. (1994a). Recognition Versus Recall. *Journal of Advertising Research*, *34*(3), 75-91.
- du Plessis, E. (1994b). Understanding and Using Likeability. *Journal of Advertising Research*, *34*(5), 95-95.
- Durso, F., & O'Sullivan, C. (1983). Naming and remembering proper and common nouns and pictures. *Journal of Experimental Psychology: Learning, Memory, and Cognition*, *9*(3), 497-510.
- Franzen, G. (1994). *Advertising Effectiveness: Findings from Empirical Research*. Henley-on-Thames, Oxfordshire: NTC Publications.
- Haley, R., & Baldinger, A. (1991). The ARF Copy Research Validity Project. *Journal of Advertising Research*, *31*(2), 11-32.
- Heath, R. (2001). *The hidden power of advertising : how low involvement processing influences the way we choose brands* (Vol. Admap Monograph No.7). Henley-on-Thames: Admap.
- Hoek, J., & Gendall, P. (2010). Colors, Brands, and Trademarks: The Marketing (and Legal) Problem of Establishing Distinctiveness. *Journal of Advertising Research*, *50*(3), 6.
- Keller, K. L. (1993). Conceptualizing, measuring, and managing customer-based brand equity. *Journal of Marketing*, *57*(1), 1-22.
- Keller, K. L. (2003). *Strategic Brand Management: Building, measuring, and managing brand equity* (2nd ed.). Upper Saddle River, N.J.: Prentice Hall.
- Keller, K. L. (2005). Branding shortcuts. *Marketing Management*, *September/October*, 18-23.
- Keller, K. L. (2007). Advertising and brand equity. In G. J. Tellis & T. Ambler (Eds.), *The sage handbook of advertising* (pp. 54-70). London, UK: Sage Publications.

- Keller, K. L., Aperia, T., & Georgson, M. (2008). Choosing brand elements to build brand equity *Strategic brand management: a European perspective* (pp. 128-170). Harlow; New York;: Prentice Hall Financial Times.
- Kennedy, R., Sharp, B., & Hartnett, N. (2013). Advertising. In B. Sharp (Ed.), *Marketing: Theory, Evidence, Practice*. Victoria: Oxford University Press.
- Klein, P. R. (1990). *Will the creative approaches of the 80's work in the 90's?* Paper presented at the 36th Annual Conference of the Advertising Research Foundation, New York.
- Kohli, C., Suri, R., & Thakor, M. (2002). Creating effective logos: insights from theory and practice. *Business Horizons*, 45(3), 58-64.
- Kohli, C., Thomas, S., & Suri, R. (2013). Are You In Good Hands? Slogan Recall: What Really Matters. *Journal of Advertising Research*, 53(3), 31-42.
- Kover, A. J. (1995). Copywriters' implicit theories of communication: An exploration. *Journal of Consumer Research*, 596-611.
- Krugman. (2000). Memory without recall, exposure without perception. *Journal of Advertising Research*, 40(6), 49-54.
- Krugman, Cameron, G., & White, C. (1995). Visual attention to programming and Commercials: The use of in-home observations. *Journal of Advertising*, 24(1), 1-12.
- Lindstrom, M. (2008). *Buyology: Truth and lies about why we buy*. New York, US: Doubleday.
- Lodish, L. M., Abraham, M., Kalmenson, S., Livelsberger, J., Lubetkin, B., Richardson, B., & Stevens, M. E. (1995). How TV advertising works: A meta-analysis of 389 real world split cable TV advertising experiments. *Journal of Marketing Research*, 32(2), 125-139.
- Major, J., Tanaka, A., & Romaniuk, J. (2014). The competitive battleground of colours, logos and taglines in brand identity. In G. Muratovski (Ed.), *Design For Business* (pp. 42-59): Intellect Ltd.
- Maughan, L., Gutnikov, S., & Stevens, R. (2007). Like more, look more. Look more, like more: The evidence from eye-tracking. *Brand Management*, 14(4), 335-342.
doi:10.1057/palgrave.bm.2550074
- McCracken, J., & Macklin, M. (1998). The role of brand names and visual cues in enhancing memory for consumer packaged goods. *Marketing Letters*, 9(2), 209-226.
- Miller, S., & Berry, L. (1998). Brand Salience versus Brand Image: Two Theories of Advertising Effectiveness. *Journal of Advertising Research*, 38(5), 77-83.
- Nelson, D. L., Reed, V. S., & Walling, J. R. (1976). Pictorial superiority effect. *Journal of Experimental Psychology: Human Learning and Memory*, 2(5), 523-528.
- Noble, T. (2013, March). Neuroscience in practice: The definitive guide for marketers. *Admap*.
- Ogilvy, D. (1985). *Ogilvy on advertising*. New York: Random House.

- Paivio, A. (1991). Dual Coding Theory: Retrospect and current status. *Canadian Journal of Psychology*, 45, 255-287.
- Paivio, A., & Csapo, K. (1973). Picture superiority in free recall: Imagery or dual coding? *Cognitive Psychology*, 5(2), 176-206.
- Pieters, R., & Wedel, M. (2004a). Attention Capture and Transfer in Advertising: Brand, Pictorial and Text-size Effects. *Journal of Marketing*, 68(April 2004), 36-50.
- Pieters, R., & Wedel, M. (2004b). Attention capture and transfer in advertising: Brand, pictorial, and text-size effects. *Journal of Marketing*, 68, 36-50.
- Poiesz, T. B. C., & Verhallen, T. M. M. (1989). Brand Confusion in Advertising. *International Journal of Advertising*, 8, 231-244.
- Polegato, R., & Bjerke, R. (2009). Cross-Cultural Differences in Ad Likeability and Ad Element Likeability: The Case of Benetton. *Journal of Promotion Management*, 15(3), 382-399.
- Purvis, S. C., & Buron, P. W. (Eds.). (2003). *Which ad pulled best? 40 case histories on how to write and design ads that work*: McGraw-Hill Irwin.
- Reece, B. B., Vanden Bergh, B. G., & Li, H. (1994). What Makes a Slogan Memorable and Who Remembers It. *Journal of Current Issues and Research in Advertising*, 16(2), 41-48.
- Romaniuk, J. (2009). The efficacy of brand-execution tactics in TV advertising, brand placements and Internet advertising. *Journal of Advertising Research*, 49(2), 143-150.
- Romaniuk, J. (2013). How Healthy is Your Brand-Health Tracker? A Five-Point Checklist to Build Returns on a Critical Research Investment. *Journal of Advertising Research*, 53(1), 11-13.
- Romaniuk, J., & Nenycz-Thiel, M. (2014). Measuring the Strength of Color-Brand Name Links. *Journal of Advertising Research*, 54(3), 313-319.
- Romaniuk, J., Sharp, B., & Ehrenberg, A. (2007). Evidence concerning the importance of perceived brand differentiation. *Australasian Marketing Journal*, 15(2), 42-54.
- Rosbergen, E., Pieters, R., & Wedel, M. (1997). Visual attention to advertising: A segment-level analysis. *Journal of Consumer Research*, 24, 305-314.
- Rossiter, J. R., Percy, L., & Donovan, R. J. (1991). A better advertising planning grid. *Journal of Advertising Research*, 31(October/November), 11-21.
- Schmitt, B., & Simonson, A. (1997). *Marketing aesthetics : the strategic management of brands, identity, and image*. New York: Free Press.
- Shepard, R. N. (1967). Recognition memory for words, sentences and pictures. *Journal of Verbal Learning and Verbal Behavior*, 6, 156-163.
- Shiffrin, R. M., & Atkinson, R. C. (1969). Storage and retrieval processes in long-term memory. *Psychological Review*, 76(2), 179-193.

- Snodgrass, J., & McClure, P. (1975). Storage and retrieval properties of dual codes for pictures and words in recognition memory. *Journal of Experimental Psychology: Human Learning and Memory*, 1(5), 521-529.
- Starch, D. (1966). How Does the Shape of Ads Affect Readership? *Media/Scope*, 10, 83-85.
- Teixeira, T. S., Wedel, M., & Pieters, R. (2010). Moment-to-moment optimal branding in TV commercials: Preventing avoidance by pulsing. *Marketing Science*, 29(5), 783-804.
- Tom, G., Clark, R., Elmer, L., Grech, E., Masetti Jr, J., & Sandhar, H. (1993). The use of created versus celebrity spokespersons in advertisements. *Journal of Consumer Marketing*, 9(4), 45-51.
- Walker, D., & von Gonten, M. F. (1989). Explaining Related Recall Outcomes: New Answers From a Better Model. *Journal of Advertising Research*, 29(3), 11-21.
- Warlop, L., Ratneshwar, S., & van Osselaer, S. M. J. (2005). Distinctive brand cues and memory for product consumption experiences. *International Journal of Research in Marketing*, 22(1), 27-44.
- Wells, W., Burnett, J., & Moriarty, S. (1989). *Advertising: Principles and Practices*. New Jersey: Prentice-Hall.
- Wheeler, A. (2013). *Designing brand identity: An essential guide for the whole branding team* (4 ed.). New Jersey: John Wiley & Sons.
- Zaichkowsky, J. L. (2010). Strategies for distinctive brands. *Journal of Brand Management*, 17(8), 548-560.