

AN EXPERIMENTAL PILOT STUDY OF IMPLICIT FTC ADVERTISING SUBSTANTIATION STRATEGIES: THE MODERATING EFFECT OF DOGMATISM

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ABSTRACT

Since introduction of the Advertising Substantiation Program in 1971 [3], companies have submitted independent-testing substantiation reports of ad claims to the FTC *upon request*. Although the Program has been successful in deterring improper claims [1], it has been unsuccessful ensuring that consumers can/do obtain substantiation information when requested from ad-sponsoring companies [2]. Thanks to the Internet, it is now possible for the FTC to require substantiation of all ads, and to post the reports so consumers can easily access the information. However, it is unknown what effects the information would have on brand evaluations. Most consumers are unaware of the Substantiation Program, and distrust ads. Mere knowledge of the Program might alter perceptions or choices. Beyond awareness of the Program, actual substantiation data could produce yet different reactions. Thus, before considering ad-substantiation requirements, it is prudent to investigate effects on consumer information processing.

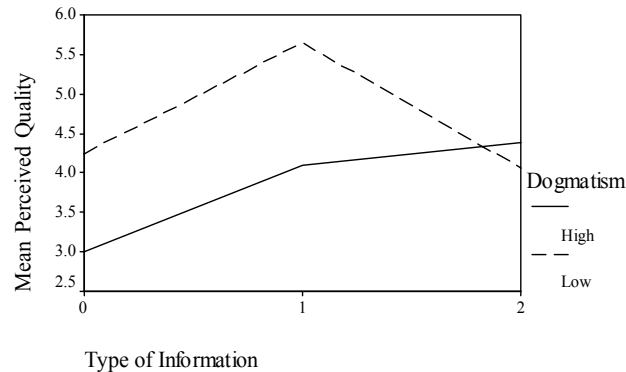
Dogmatism is a personality trait that measures degree of rigidity vs. openness that one displays toward the unfamiliar and/or information contrary to his/her beliefs [5, p. 127]. It affects conclusions drawn after information presentation [4]. Low dogmatics (open-minded) are more affected by strength/logical consistency of message arguments than by source credibility. Conversely, highly dogmatic individuals (closed-minded) are strongly affected by source credibility, and only modestly affected by strength/logical consistency of message arguments. An experimental pilot study was conducted to assess the effects of types and amount of information on consumers of differing degrees of dogmatism.

Juniors, seniors and graduate summer school business students participated in the experiment. Three versions of an Internet survey were created, and each student was randomly assigned to a treatment. The three Websites contained either 1) **Ads-Only**, 2) ads plus a disclosure statement about the Substantiation Program -- **Statement**, or 3) ads plus the disclosure statement plus supportive data -- **Statement + Data**. A 2X3 (**Dogmatism X Information**) ANOVA was employed, with **Perceived Quality** of the advertised brands used as the dependent variable. The **Dogmatism X Information** interaction on **Perceived Quality** is shown in Figure 1, and was significant ($F_{2,34} = 3.02, p < .10$).

As can be seen, with each additional type of information given to high dogmatics, perceptions of product quality rose. Adding a statement about the Ad Substantiation Program (**Statement** condition) increased perceived quality. The *type* of added information, compared to the **Ad-Only** condition, is enhanced source credibility. This increase is consistent with previous research finding that enhanced source credibility is a strong determinant of persuasion among high dogmatics. There was further increased perceived quality when substantiation data were also added (**Statement + Data**). The *type* of additional information in the latter condition is consensus between sources – the advertising company, an independent external testing firm, and the FTC as an overseeing agency. Thus, the **Statement + Data** condition is higher than **Ad-Only** in both credibility and strength/consistency of message arguments.

FIGURE 1

Interaction of Information Type and
Dogmatism on Perceived Quality



Note: Two Products Combined -- $p = .05$

In contrast to “slow but steady” increases in perceived quality for high dogmatics, as they received more/richer information, low dogmatics showed a different pattern. They judged product quality more favorably in the **Statement** condition (higher credibility of the FTC) than in either the **Ad-Only** or **Statement + Data** conditions. Perceived quality was *lowest* when they received the *most* information (**Statement + Data**). Those low in dogmatism find it difficult to make decisions: there is never enough information! Such may be the current case. As actual information increased, it apparently reminded the low dogmatic individuals of what was not included in either the substantiation report or the related ad.

CONCLUSION/IMPLICATIONS

This was a preliminary experimental study to identify information-processing differences between low and high dogmatic individuals in response to various types of advertising substantiation information. Clearly, before policy changes are strongly considered, the FTC should carefully weigh both additional costs and potential benefits of moving beyond the *status quo*. Further research is needed to determine both costs and benefits of potential changes. For more information, please contact any of the authors.

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