The moderating effect of age and an advertising cue on the relationship between personalized advertising on awareness of selling intent and purchase intention in children and teenagers

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Introduction

- Most research on personalization of advertising in social networking sites (SNSs) has focused on adults (van Reijmersdal et al. 2016)

- However, SNSs are very popular among both children and teenagers → heavy users of SNSs; although it is only officially allowed to use them when older than 13 years (Pew research Centre, 2015; Livingstone et al. 2014)

- **RQ: What is the effect of personalization of advertising on children’s and teenagers’ awareness of selling intent and purchase intention?**

- **Is there a moderating effect of age and an advertising cue?**
Minors understanding of SNS advertising

- The Persuasion Knowledge Model (PKM) describes which knowledge, skills and experiences are necessary to cope with advertisers’ persuasive attempts (Friestad and Wright, 1994)

- Skills to possess persuasion knowledge (PK) develop through childhood & adolescence (Moses and Baldwin, 2005, Wright et al., 2005)

- Consumers who are experienced in advertising → gain more insight in how advertising works, advertising techniques and the persuasive intentions behind advertising (e.g. selling intent)
Personalization effects

- Previous research indicated that ad personalization in SNSs has a positive effect on ad responses (e.g. De Keyzer et al., 2015; Walrave et al., 2016)

- Given children’s & teenagers’ limited cognitive skills these target groups are considered as being even more vulnerable for this advertising technique

- Product targeting in SNSs increases children’s consumer responses (van Reijmersdal et al., 2016).
Moderation role of age

- Children often lack advertising experience and cognitive skills to identify advertising and understand advertisers’ persuasive and commercial intents (Rozendaal et al., 2010)

- Children are more likely to accept advertising without critically examining it (Brucks et al., 1988)

- Children aged 11 to 17 acquire a thorough understanding of advertiser’s intentions (Roedder John, 1999)

- **H1:** For 5th graders a personalized advertisement will lead to 
  (a) lower awareness of selling intent and 
  (b) higher purchase intention to a non-personalized advertisement 
  
  For the 7th graders there will be no difference
Moderating role of an advertising cue

- Children are ‘cued processors’, need a cue to trigger their persuasion knowledge (Brucks, Armstrong, & Goldberg, 1988; Roedder, 1981; van Reijmersdal, et al., 2012)

- Cue to help children and teenagers differentiate advertising from content (Cai et al., 2010)

- Identification of advertising might trigger awareness of selling intent

- **H2:** For a personalized ad a cue will lead to
  
  (a) higher awareness of selling intent
  
  (b) lower purchase intention

  compared to a personalized ad without a cue
Design & participants

- 2 X 2 x 2 between subjects experiment

- **Personalization**: personalized ad vs non-personalized ad
  - Fictitious ad for fictitious amusement park (‘Coasterland’)
  - Personalization based on 1 question (respondent’s preference for tv-figure out of a list of 6 well known tv-figures)

- **Cue**: absent vs. present

- **Age groups**
  - 5th grade – 10-11 years (second last year from primary school) (n = 92)
  - 7th grade – 12-13 years (first year from secondary school) (n = 75)
  - $M_{age}=11.15$ years, SD=1.12, 50.9% boys

- Mocked Facebook page
Stimuli

Personalized ad

Coaster Land
De wereld op z’n kop!
WWW.COASTERLAND.BE

Non-personalized ad

Coaster Land
De wereld op z’n kop!
WWW.COASTERLAND.BE
Stimuli

- Advertising cue
- Located in the left corner above the ad
- Icon with panel with Dutch word ‘reclame’ (= ‘advertising’)
Results H1a – Awareness selling intent

- Personalization leads to higher awareness of selling intent in the 5th grade ($p=0.003$) compared to a non-personalized ad.
- No difference between a personalized ad and a non-personalized ad on awareness of selling intent in 7th graders ($p=0.296$)

⇒ H1a rejected
Results – Purchase intention

- Personalized ad does not lead to higher PI for 5th graders ($p=0.350$)
- Purchase Intention lower in 7th grade if ad is personalized ($p=0.065$)

⇒ $H_{1b}$ rejected
Results cue

- Personalization leads to higher awareness of selling intent if a cue is present ($p=0.002$)
- If a cue is absent than there is no difference ($p=0.460$)

⇒ H2a accepted

- No interaction personalization x cue on purchase intention
  $F(7,159)=1,438, p=0.232$
**Discussion, limitation & Future research**

**Discussion**

- Surprisingly, personalization leads to higher awareness of selling intent
- Personalization **might trigger persuasion knowledge** if perceived as an attempt of persuasion (Baek et al., 2012)

**Limitation**

- Mocked picture of a Facebook page without the opportunity to interact with the content on the Facebook page

**Future research**

- Replication in other media (e.g. YouTube, Instagram, Snapchat, etc.)
- Study of different characteristics (placement, language, etc.) of advertising cues in social networking sites
- **Field study** of personalisation of ads in Facebook (more subtle manner of personalisation)
Thank you for your attention