Attitude toward Negative Publicity: 
The Moderating Influence of Brand Awareness

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Abstract
Negative publicity has shown a harmful effect on consumer attitude toward a brand. Despite the potential impact of negative publicity in the marketplace, little research has focused on individual differences and how they might influence consumer response to negative publicity. This study hypothesizes that brand awareness mitigates the effect of negative publicity. While consumers with a high level of brand awareness are less susceptible to negative publicity, their counterparts tend to be swayed by the power of negative effect. Two pretests and an experiment were conducted to verify the hypothesis. Results confirm that subjects with a higher level of brand awareness have a better attitude. Their product evaluation, product likeness, and purchase intention are higher than those subjects with a lower level of brand awareness. Study findings provide insights into why and how some consumers are invulnerable to the influence of negative publicity. It enhances our knowledge about the limitations of negative effects and provides strategic considerations for the brands and companies under attack of negative publicity.

Key words: Negative publicity, brand awareness, consumer behavior
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1. Introduction

Negative publicity about brands and companies is widely prevalent in the marketplace and is notorious for its negative impact on people’s attitude and judgment. Due to its determinant role in consumer attitude, researchers have put a lot of efforts in finding the reasons why negative information has such harmful effect. Some researchers assume that negative information is given greater weight compared to equally positive information. Thus, negative information is likely to exert a strong, negative impact on the formation of brand attitude. Other researchers address that negative information is considered more diagnostic or informative than positive information (Maheswaran and Meyers-Levy 1990; Skowronski and Carlston 1989). Therefore, it is reasonable that negative publicity about a company or its products will result in negative associations. Such negative associations are likely to influence consumers’ attitude and behavior toward the company and its products, and thereby negatively affect sales, profits, and stock price.

However, in reality, negative publicity seems not equally harmful for everyone. For example, Jeremy Liu, a Taiwan singer, released his MTV on YouTube in July 2011 for his new album. Quack-like voice and simple lyrics had earned him thousands of negative buzz on the Internet. Some Internet users even left harsh words such as “The song is terrible and is harmful to ears. The Environmental Protection Administration should ban his song” (China Times, 2011). As the criticisms climbing up, the number of view on YouTube was soaring to the sky. His album sold out quickly and all the media channels desperately invited him to be on their shows. Surprisingly, he became a hot idol in that year. Another example, once the Chinese movie “Switch” released in June 2013, it got a lot of negative buzz regarding the actors, story, and sceneries. It even got the lowest movie rating in the history by Internet users on the famous Internet website “douban” in China at that time. However, the movie reached 33 million on box office receipts in two days right after it was on stage.

Above examples showed that not all people are susceptible to negative publicity. Some people seem invulnerable to the influence of negative publicity. These phenomena challenge our knowledge. Without any attempt to understand what variables make the difference, our knowledge about the effect of negative publicity is incomplete. However, little research has focused on the characteristics of the consumer and their influence on negative publicity (Ahluwalia, Burnkrant, and Unnava, 2000; Monga and John, 2008).

The conceptualization of brand awareness has long been an important variable for marketing researchers (Andrews, Durvasula, & Akhter, 1990). Surprisingly, the role of brand awareness in the impact of negative publicity has not been examined previously. The current study aims to fulfill the gap. It is hypothesized that individuals’ level of brand awareness might play as a moderator between the negative publicity and consumer attitude. Examining
the effect of negative publicity on a different level of brand awareness conditions would be important for the predictions of consumer attitude. If the level of brand awareness moderates the influence of negative publicity on consumers attitude, then different strategies should be executive to restore a brand or company reputation under attack of negative publicity.

Following this introduction, section 2 provides a literature review of the influence of publicity in brand attitude, brand awareness and the role of brand awareness in negative publicity. Section 3 describes the methodology including two pretests and an experiment. Section 4 reports on the tests of the hypothesis. In the last section, conclusions and suggestions for future study are provided.

2. Literature Review

2.1 The Influence of Publicity in Brand Attitude

In the reputation and branding process, the media play a pivotal role in marketing communication. There is two kinds of marketing tools, controlled and uncontrolled tools. Both might play a central role in developing and shaping the corporate brand. A company may use advertising or online website, controlled marketing tools, sends positive information and image to consumers. However, some marketing tools, such as publicity, are uncontrolled by a company. Publicity, generated by intermediaries such as reporters, bloggers and others, discusses a wider range of topics than advertising that affects organizational stakeholders by framing the firm in positive or negative terms (Golan and Wanta, 2001).

Comparing to advertising's reputation for brand building, publicity has been asserted playing a much more important role in building the brand or influencing brand attitudes. The reason why it has more influence on attitude is that it is not for the market purpose and believes to have more credibility (Mangold, Miller & Brockway, 1999). Furthermore, word of mouth and non-paid publicity, which are mostly derived from personal sources, are a significant source of information for consumers and influence short and long term judgments (Bone, 1995). When they are negative, they have the capacity to diminish positive brand attitudes (Ennew, Banerjee & Li., 2000).

2.2 Brand Awareness

According to Keller (1993), a brand can be defined as a name, term, sign, symbol, or design, or combination which is intended to identify the goods and services of one seller or group sellers and to differentiate from those of competitors. How a brand means to a consumer is based on brand knowledge stored in his or her memory. Understanding the content and structure of brand knowledge is important because they influence what comes to mind when a consumer thinks about a brand. Among brand knowledge, brand awareness has been recognized as the crucial first stage in buyer readiness to develop a brand preference and move closer to the point of purchase.
The brand awareness is related to the strength of the brand node or trace in memory, as reflected by consumers’ ability to identify the brand under different conditions (Rossiter and Percy, 1987). It consists of brand recognition and brand recall performance. The brand recognition relates to consumers’ ability to confirm prior exposure to the brand when given the brand as a cue. It requires that consumers correctly discriminate the brand as having been seen or heard previously. The brand recall relates to consumers’ ability to retrieve the brand when given the product category as a cue. It requires that consumers correctly generate the brand from memory.

Keller (1993) addressed that brand awareness plays an important role in consumer decision making for three major reasons. First, it is important that consumers think of the brand when they think about the product category. Raising brand awareness increases the likelihood that the brand will be a member of the consideration set and has a higher probability to be considered for purchase. Second, brand awareness can affect decisions about brands in the consideration set, even if there are essentially no other brand association. Finally, brand awareness affects consumer decision making by influencing the formation and strength of brand associations in the brand image.

2.3 The Role of Brand Awareness in Negative Publicity

This study tries to examine the role of brand awareness in negative publicity situation. The benefits or consequences of brand awareness provide the base to understand its role. First, the relationship with a brand developing from brand awareness might be one of the explanations for some individuals are not harmed by negative publicity. Research in consumer behavior indicates that consumers become attached to various brands and form "relationships" with them (Fournier, 1998), which results in equity for the brand (Keller, 1993). Some researchers (Ahluwalia, Bumkrant, and Unnava, 2000) assume that the relative immunity to negative publicity may due to consumers' relationships with a brand. Second, consumer knowledge about a brand forms a brand attitude. The attitudes that individuals have for brands are expected to vary in strength. Consumers with strong brand attitudes seem unlikely to be affected by negative brand publicity. Petty and Krosnick (1995) address that consumers usually has stronger attitudes are known to exhibit greater resistance to information that attacks them. These individuals tend to defend their attitudes for a brand by elaborating pro-brand sentiments or counterarguments against the negative publicity, thereby neutralizing the potential negative impact (Ahluwalia, Burnkrant, & Unnava, 2000; Dawar & Pillutla, 2000; Herr, Kardes, & Kim, 1991; Pullig, Netemeyer, & Biswas, 2006). On the contrary, individuals who do not know the brand or are non-customers are more apt to be swayed by negative publicity.

Furthermore, a good brand awareness usually brings better brand commitment and loyalty. Ahluwalia, Burnkrant, & Unnava (2000) have addressed that the degree of
commitment to a brand might be a reason why some people stay intake to the influence of negative publicity. Their research showed that when consumers are highly committed to a brand, they might dismiss negative publicity by processing the information in a biased manner. Similarly, loyal customers are prone to reject information that opposite to their existing positive opinion of a brand, which results in less adversely impacted by negative publicity. These individuals have a great propensity to generate counterarguments toward the original negative publicity. In sum, loyal customers not only are more likely to generate counterarguments to the information presented in the negative publicity but also tend to discount negative publicity.

3. Methodology

This study hypothesizes that the level of brand awareness moderates the influence of negative publicity on consumer attitude. Two pretests and an experiment were conducted to test the assumption.

3.1 Pretest one

The purpose of pretest one is to select products with either high or low level of brand awareness to subjects. Five real and five forged brand names of online games were evaluated by 20 undergraduate students (10 for each sex). A series of 7-point brand awareness scale (1 for very disagree, 7 for very agree), developed from Keller’s concepts (1993) (4 items; α = 0.95), was used to access subject’s level of brand awareness. Two brand names, rated as the highest or the lowest scores, were chosen as the method of manipulating brand awareness in the experiment.

3.2 Pretest two

The purpose of pretest two is to develop a negative publicity for selected brand from pretest one. Ten versions of negative buzz related to online games were developed and rated by 20 undergraduate students (10 for each sex). A series of 7-point message quality scale (1 for very disagree, 7 for very agree) developed by the study (3 items; persuasiveness, impression, realistic; α = 0.87) was used to access the quality of the buzz. A buzz which obtained the highest score was chosen as the material used in the experiment. The same buzz with two different brand names chosen from pretest one created two versions of negative publicity with either low or higher level of brand awareness.

3.3 Experiment

One hundred twenty undergraduate students served as the subjects. They were randomly assigned to either high or low brand awareness group by the questionnaire which they received. First, subjects were asked to read a negative buzz. Then they evaluated their attitude toward the brand (3 items; brand evaluation, brand likeness, and purchase intention; α = 0.93) and their level of brand awareness (same as those used in pretest one) both on a series of 7-
point Likert scales (1 for very disagree, 7 for very agree). At the end, they indicated their demographic information and were dismissed.

4. Results

4.1 Description of Subjects

Among 120 subjects, 86 (71.7%) were female and 34 (28.3%) were male. While the mean score of brand awareness was 3.03 ($SD = 1.7$) for the female, and 3 ($SD =1.68$) for the male; the average of combined brand attitude score was 3.55 ($SD = 1.7$) for the female, and 3.49 ($SD =1.38$) for the male. A t-test was conducted to test the difference of level of brand awareness and brand attitude between both genders. Results showed that both genders have the no difference in their level of brand awareness and brand attitude.

Each 60 subjects was randomly assigned to either high or low brand awareness group. The average score of brand awareness were 1.74 ($SD = 0.91$) for low brand awareness group and 4.27 ($SD = 1.27$) for high brand awareness group. A t-test result between the mean of the two groups reached a significant level, $t (118) = -12.53, p < 0.001$. It confirmed that the manipulation of subjects’ level of brand awareness was successful.

4.2 Comparison of Production Evaluation between Groups

The average scores of production evaluation for low and high brand awareness groups were 3.2 ($SD = 1.34$) and 3.92 ($SD = 1.54$) respectively. A t-test result showed the mean difference reached a significant level, $t (118) = -2.72, p < 0.001$. It means that subjects with a high level of brand awareness had better product evaluation than their counterparts.

4.3 Comparison of Product Likeness between Groups

The average means of product likeness for subjects in low and high brand awareness conditions were 3.07 ($SD = 1.37$) and 3.98 ($SD = 1.56$). The mean difference also reached a significant level, $t (118) = -3.42, p < 0.001$. Subjects with a high level of brand awareness like the product more than those with a low level of brand awareness.
Figure 2: Comparison of Product Likeness

![Comparison of Product Likeness](image1)

4.4 Comparison of Purchase Intention between Groups

The average scores of purchase intention for subjects in low and high brand awareness condition were 2.9 ($SD = 1.31$) and 3.98 ($SD = 1.73$). The mean gap reached a significant level by a t-test, $t(118) = -3.87$, $p < 0.001$. It means that even exposing to negative publicity, subjects with higher brand awareness had higher purchase intention than their counterparts.

Figure 3: Comparison of Purchase Intention

![Comparison of Purchase Intention](image2)

5. Conclusions and Suggestions for Future Study

Negative publicity about brands and companies is widely prevalent in the marketplace and has shown a strong negative impact on consumer attitude. Surprisingly, little research has focused on characteristics of consumers and examined their influence in negative publicity (Ahluwalia, Burnkrant, and Unnava, 2000; Monga and John, 2008). The current study hypothesizes that individuals’ level of brand awareness moderates the relations between negative publicity and its effect on attitude.

Two pretests and an experiment were conducted to test the hypothesis. The findings of this study demonstrate that individuals’ level of brand awareness is an important factor in determining their responses to negative publicity, and provides an insight into why some consumers are invulnerable to the effect of negative publicity.

Study results show that the brand awareness plays as a moderator between negative publicity and its consequence. The response patterns between consumers with either high or
low level of brand awareness are very different. While the attitude of consumers with a high level of brand awareness keeps intake to negative publicity, the attitude of their counterparts tends to be swayed by the negative effect. Higher brand awareness brings better product evaluation, product likeness, and purchase intention.

The explanation for the findings of this study is based on the theoretical debate. This study suggests further examining the role of brand awareness in a better conscientious process and research design to overcome the shortages of this study. It is worth to investigate whether the findings of the study are still solid across other approaches, i.e. interviews, focus groups, as well. It will be more solid if qualitative research methods are conducted to verify the information processing strategy adopted by consumers with a different level of brand awareness.

The type of organization might be a good start for future studies. More recently, the importance and role of branding in the nonprofit sector have received increased attention by researchers (Hoeffler & Keller, 2002) and practitioners, as non-profits begin to explore the latent potential of their own brands. As nonprofit organizations have too restricted resources, they do not apply controlled communication very often. Thus, customers get information about the nonprofit organizations mainly through WOM and nonpaid publicity. It implies uncontrolled communications, such as publicity, might exert more influence on consumers when brands or firms belong to non-profit organizations. It is worth to exam whether the findings of this study are more profound for non-profit organizations.

All the further works will enhance our knowledge about the limitation of negative effect, and provide strategic deliberation for a brand or company under attack of negative publicity.

References
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