Marketing to different Asian communities

The importance of culture for framing advertising messages, and for purchase intent

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Abstract

Purpose – The purpose of this paper is to show that culture has differential effects on purchase intent, using respondents from four very different cultural groups within Indonesia, and two different advertisements (one ethical, another unethical).

Design/methodology/approach – The study uses survey methods and a highly structured questionnaire to collect data from respondents in four cultural groups. In total, 100 responses were received from each of these groups within Indonesia (Bali, Batak, Java, and Minang). Data were analyzed using partial least squares.

Findings – The results suggest that when advertising to culturally conservative groups, caution is required. Such groups have lower purchase intent when they do not like the advertisement. Moreover, other variables such as attitude towards the advertiser may become salient drivers of purchase intent for such groups if the advertisement is perceived to be unethical. Importantly, neither of these factors are salient for more permissive cultures, regardless of whether the advertisement is perceived to be ethical or unethical. In addition the authors identify a set of “universal paths” by which advertisement-related factors, and company-related factors indirectly influence purchase intent for both permissive and conservative cultures, regardless of the perceived ethicality of the advertisement.

Research limitations/implications – The research uses four samples, with 100 respondents per group. Future research could verify these results using larger samples. In addition, the study only uses low involvement consumer products, hence future research could test the model on higher involvement products.

Practical implications – Managers should test their advertising messages on target audiences to assess whether they are likeable, as advertisement likeability can influence purchase intent. In addition, whilst factors such as ethicality (and likeability, and attitude towards the advertiser) tend to not affect purchase intent directly except in specific circumstances, these antecedent variables do have strong effects on each other via the universal paths.

Originality/value – This is the first study which has examined the effects of ethical/unethical advertisements across four different cultures in Indonesia. The results also reveal an important set of relationships between the model variables, which the authors refer to as the “universal paths.” These paths have important implications for advertisers and their clients in their attempts to build brand equity and increase purchase intent.

Keywords Indonesia, Consumer behaviour, Advertising, Marketing strategy, Ethics, Cross-cultural advertising, Ethical advertising, Conservative/permissive cultures

Paper type Research paper
Introduction
Annually advertisers spend significant amounts of money developing advertising campaigns that they hope will be favorably perceived by target audiences, and lead to sales. The logic is that if the target audience has positive attitudes towards the advertisement, this will increase purchase intent (Fam and Waller, 2004; Khairullah and Khairullah, 1999; MacKenzie and Lutz, 1989). Two such advertisement-related attributes are ethicality, and likeability, and the assumption is that the more ethical or likeable an advertisement, the greater its potential sales effects (Thorson, 1991). Hence advertisers expect some increase in sales to come directly as a result of exposure to the ethical or likeable advertisement.

However, the link between any given advertisement and sales is a tenuous one, as many variables can influence sales (Clarke, 1976). In addition, the sales effects of advertising may be more indirect than direct. Advertisements can, for example, be used to build positive attitudes towards the advertiser themselves (e.g. advertisements showing a cereal firm sponsoring a sporting event), or towards their brands, i.e. brand attitude. Indeed brand attitude is a major factor driving purchase intent (Lutz et al., 1983; Goldsmith et al., 2000).

The main purpose of this paper is to investigate whether the effect of advertising on purchase intent is primarily direct or indirect, and whether this effect differs across cultures. Specifically, we address the following:

- Do attributes of the advertisements directly drive purchase intent?
- Is the relationship between advertising and purchase intent primarily indirect, via improved attitudes towards the firm and the brand itself?
- If the route from exposure to an advertisement and purchase intent is indirect, what are the key variables mediating this process?
- Does one's culture affect these variables?

This article is organized as follows: first we discuss our theoretical frameworks, and present the conceptual model, then develop our hypotheses, and discuss our methodology. Next the results are presented, followed by a discussion of their implications, the contributions of the research, some limitations of our study, and directions for future research.

Theoretical foundations
This research draws primarily on the “beliefs-attitudes-behavioral intent” relationship articulated by Fishbein and Ajzen (1967). Their theory suggests that attitudes help people understand their social world, define their perceptions of things, and how they behave towards them (purchase intent). This model has been expanded over the years to a “general attitude theory” (Fishbein and Ajzen, 1975) and the “theory of reasoned action” (Fishbein and Ajzen, 1980), both of which have been used extensively in studies of attitudes towards advertising (Andrews, 1989; Andrews et al., 1994; Muehling, 1987; Nan, 2006; Ramaprasad, 2001). This view of attitudes, emphasizing the relationship between beliefs, attitudes, intent, and behavior, also forms the basis of “persuasive hierarchy models” (Vakratsas and Ambler, 1999).

If advertising is to generate behavioral effects such as sales, then that advertising must generate some conscious or unconscious intermediate mental responses which influence consumers’ behavior. Two of the main intermediate responses are “cognition,” i.e. the “thinking” dimension, and “affect,” i.e. the “feeling” dimension (Ajzen and
According to the persuasive hierarchy model, advertisements must inform and persuade, in order to elicit desired responses such as a sale, or intent to purchase. This general causal sequence has become the basis of our understanding of advertising’s effects in much of the advertising research literature (Vakratsas and Ambler, 1999).

The persuasive hierarchy model suggests that a consistent pathway exists, starting with cognitive responses, then affective, and then a behavioral response in the form of purchase. Our conceptual model, which we present in the following section, reflects this persuasive hierarchy model, because we treat the ethicality of an advertisement as a cognitive variable, the likeability of an advertisement as an affective variable, and purchase intent as a behavioral variable. Within this theoretical framework, however, other important factors are also relevant, including a customer’s attitudes towards the advertiser, and the brand (Lutz et al., 1983; MacKenzie and Lutz, 1989; Petty and Cacioppo, 1981), hence these variables are also included in our conceptual model.

Drawing on these theories we specify a conceptual model linking advertisement-related, and company-related factors to each other, and to purchase intent. This model is presented and justified in the following section.

**Conceptual model**

Studies examining the importance of attitude towards advertisements, attitude towards brand, and purchase intent, have established that these constructs affect consumer purchase behavior (Simpson et al., 1998). Consistent with this work, our conceptual model (Figure 1) consists of two sets of predictor variables, plus the dependent variable – purchase intent. The first set of predictor variables relate to respondents’ attitudes towards the advertisements themselves, i.e. the perceived “ethicality” of the advertisement, and the “likeability” of that advertisement. We include these variables because extant theory (Fishbein and Ajzen, 1967) and various empirical studies (MacKenzie and Lutz, 1989; Reidenbach and Robin, 1988) suggest that ethicality and likeability can influence purchase intent. In this study we conceptualize ethicality as a cognitive variable, and likeability as an affective variable.

Our second set of predictor variables are company-related factors, including a consumer’s attitude towards the specific advertiser, and their attitude towards a specific brand. Again, these are included because theory and evidence suggest that they can influence purchase intent (Shimp, 1981; Simpson et al., 1998). Our inclusion of these variables therefore represents an extension of the persuasive hierarchy model’s cognition → affect → behavior sequence, because we also include a further stage of mental responses leading to purchase intent. Specifically, after the initial cognitive and affective responses to the advertisement itself (i.e. ethicality → likeability), we also include a further stage of evaluation by linking two firm-related variables. Specifically, one’s attitude towards the advertiser themselves → their attitude towards the brand being advertised.

Thus, the attitude towards the advertiser → attitude towards the brand link is an additional stage preceding purchase intent, in which consumers make cognitive assessments about the advertiser and the brand, rather than just the advertisement itself. When these evaluations are positive, this should be positively associated with purchase intent.

Our hypothesized model is therefore a modification of MacKenzie et al. (1986) “individual influences hypothesis”. In their original model, attitude toward the...
advertisement influences brand attitude both directly and indirectly. The direct effect is from attitude towards the advertisement to brand attitude, though there is also an indirect effect from attitude toward the advertisement, to attitude towards the brand, via a mediating variable, brand cognition. Our model differs from this in that it also explicitly links a viewer’s attitude towards the advertisement, to their attitude towards the advertiser.

In summary, our model calibrates two sets of effects. First, the direct effects on purchase intent of attitudes towards the advertisement, and attitudes towards the advertiser and brand. Second, the indirect effects of advertisement-related features, on one’s attitude towards the advertiser, and brand attitude, and the effect of brand attitude on purchase intent.

Broadly, the logic underlying our conceptual model is therefore that we wish to test which of these two sets of factors – advertisement-related, or company-related, are the key predictors of purchase intent. Moreover, we wish to establish whether the effects of these variables on purchase intent are primarily direct or indirect. In addition, we examine whether these effects vary according to whether one belongs to a permissive, or a conservative culture.
Context for the research
The context for this research is mothers’ attitudes regarding advertising directed at their children. We collected data from mothers within four different cultures in Indonesia, to increase the external validity of our findings. Although Indonesia is ostensibly a single nation, it consists of many very distinct ethnic, linguistic, and religious groups, which can be problematic when communicating to the entire population (Hobart, 2006; Hollander et al., 2009).

The logic behind our sampling plan is that attitudes towards advertising, and associated behavioral responses are likely to differ across cultures. Andrews et al. (1994) for example found that US respondents had more favorable attitudes towards advertising than Russians. Similarly, Yoon et al. (1996) found that US consumers had a more favorable attitude towards advertising than Koreans.

In the context of advertising to children, Rose et al. (1998) found that Japanese and US consumers’ have significantly different attitudes towards advertising to children. Similarly, Young et al. (2003) studied parents’ attitude towards children’s advertising in New Zealand, UK and Sweden, and found significant differences between these groups. The same pattern is expected to hold for a comparison of the four ethnic groups in this current research, justifying our sampling plan.

In addition to our use of four very different cultures in our research, we used two contrasting advertisements – one deemed to be ethical, the other considered to be unethical. This was done because research into controversial advertising (Fam and Waller, 2003; Waller and Fam, 2000, 2003; Waller et al., 2005) suggests that culture influences people’s perceptions of advertising messages, i.e. different cultures had different attitudes towards controversial advertising, and ranked differently their reasons for considering certain advertisements to be controversial.

Dependent variable: purchase intent
Our dependent variable is purchase intent, which we chose for various reasons. First, the link between respondents’ exposure to specific advertisements and actual sales is often indirect and time-lagged, as there may be many factors that influence sales, e.g. the specific stage in a purchase cycle that a respondent is in, competitor activity, or stockouts. Hence finding a valid direct measure of actual purchases resulting from advertisements is problematic. Second, the theory of reasoned action (Ajzen, 1991; Ajzen and Fishbein, 1980) suggests that person’s behavior, e.g. intent to purchase, is determined by their intent to perform that behavior. Consistent with this, a meta-analysis by Sheppard et al. (1988) found that purchase intent performs well in predicting actual behavior, and is therefore a valid proxy for a person’s actual purchase behavior. Consequently, purchase intent is a widely used dependent variable in advertising research (Chang and Wildt, 1994; Mittal and Kamakura, 2001; Sheppard et al., 1988; Simpson et al., 1998). Here we define purchase intent as the extent to which a respondent will buy a specified brand in the future, when that category of product is required.

Explanatory variables: advertisement-related factors
Ethicality of the advertisement. In this research we use the “general ethical judgment factor” (GEJF) identified by Tansey et al. (1992). The GEJF is a multidimensional conceptualization of ethicality which assesses whether an advertisement is perceived to be fair, just, moral, and acceptable. We use this scale because our study is cross-cultural,
involving groups with different traditions, and the specific context is intra-family ethical judgment, all of which are captured by the GEJF scale. In this current research we measure mothers’ judgments regarding the ethicality of specific advertisements directed at their children.

Likeability of the advertisement is defined as a favorable response to a particular advertisement (Biel and Bridgwater, 1990), and in this current research the likeability of an advertisement refers specifically to mothers’ positive/negative attitudes towards the two television advertisements shown to them during this study.

**Explanatory variables: company-related factors**
Attitude towards the advertiser refers to a consumer’s attitudes or predispositions towards the company sponsoring the advertisement (MacKenzie et al., 1986; Simpson et al., 1998). Attitude towards the advertiser in this study therefore refers to mothers’ attitudes towards the advertisers sponsoring the two advertisements used in our research.

Attitude towards the brand. Consistent with Shimp (1981), attitude towards the brand is defined here as consumers’ attitudes towards the two specific brands featured in the advertisements used in this current study. Attitude towards brand in this research refers to mothers’ attitudes towards the brand advertised in the two television advertisements shown to them.

**Hypotheses development**
Various studies have found that a person’s attitude towards an advertisement is an important factor influencing purchase intent (Derbaix, 1995; Lutz, 1985; MacKenzie et al., 1986; MacKenzie and Lutz, 1989; Mitchell and Olson, 1981; Shimp, 1981). Peoples’ attitudes towards advertisements are important as they can also affect their attitudes towards brands, brand choices and purchase intent (Goldsmith et al., 2000; Khairullah and Kairullah, 1999).

**Effects of the ethicality of the advertisement**
According to general attitude theory, antecedents such as religious beliefs and cultural influences can affect a person’s ethical judgments of an advertisement. The strength of the influence can depend on the ethical ideology of the decision maker (Barnett et al., 1998; MacKenzie and Lutz, 1989; Simpson et al., 1998). These antecedent factors are relevant in this study because we examine respondents’ attitudes towards the ethicality of advertisements, and how these affect purchase intent. An assumption underlying our study is that the four groups of mothers, each from very different ethnic backgrounds, religions, and cultural upbringing, may respond differently to advertisements that are perceived to be ethical or unethical.

Importantly, studies examining consumers’ responses to ethical/unethical issues in advertising, e.g. where sexual appeals are used, wartime themes are explored, or in the use of political advertisements, consistently support the proposition that the perceived ethicality of an advertisement affects consumers’ evaluations of these advertisements across a range of contexts (LaTour and Henthorne, 1994; Simpson et al., 1998; Tansey et al., 1992; Tinkham and Weaver-Lariscy, 1994; Whalen et al., 1991). Whilst none of these cited studies was conducted in the context of advertising to vulnerable consumers such as children, it seems reasonable to expect that members of the four cultural groups examined in this current study might respond differentially
to ethical/unethical advertisements. However, whilst there may be differential effects on purchase intent across cultures, it is likely that the broad pattern of responses will be the same with an unethical advertisement targeted at children negatively affecting mother’s evaluations of that advertisement.

Consistent with this, if a mother perceives an advertisement to be unethical, this will reduce the advertisement’s likeability. Again, whilst we might expect differences in the strength of this effect across cultural groups (e.g. stronger effects in more conservative cultures), the broad effect should nonetheless be the same, i.e. that advertisements perceived to be ethical will be more liked by viewers, and more likely to lead to a purchase of the advertised brand. We therefore hypothesize:

\[ H1. \] The greater the perceived ethicality of the advertisement (a) the greater the purchase intent, and (b) the greater the likeability of the advertisement.

**Effects of the likeability of the advertisement**

Various scholars have argued that for advertising to be effective it must be “liked” by consumers (Biel and Bridgwater, 1990; Franzen, 1994; MacKenzie and Lutz, 1989). Likeable advertisements can create favorable impressions with the target audience, giving the advertised brand a competitive edge (Gardner, 1985; Khairullah and Khairullah, 1999). Advertisements that are liked also assist one’s recall, and the chance of the brand appearing in the top of the evoked set is greater (MacKenzie and Lutz, 1989). Importantly, advertisement likeability appears to be a general phenomenon, independent of the involvement level of the product, or viewing situation (Thorson, 1991). Likeable advertisements should therefore attract consumers’ attention, create brand awareness, and increase purchase intent. Similarly, Shimp (1981) argued that likeability is an important predictor of brand preference, and that it has a persuasive effect because it positively affects feelings towards a brand, and should therefore be associated with greater purchase intent. Moreover, a likeable advertisement will tend to be associated with more positive attitudes towards that advertiser. On the basis of theory and evidence, we therefore hypothesize:

\[ H2. \] The greater the likeability of the advertisement, (a) the greater the purchase intent, and (b) the more positive the attitude towards the advertiser.

**Effects of attitude towards the advertiser**

As established in the previous hypothesis, one’s attitude towards an advertiser is likely to be affected by that firm’s advertising. Importantly for these current hypotheses, attitudes towards a firm’s advertisements are also likely to directly affect respondents’ attitudes towards that advertiser’s brands and purchase intent (MacKenzie et al., 1986). The better a potential customer feels about the firm itself, the more likely they will purchase that firm’s brands rather than a competitor’s which does not enjoy the same positive reputation. Hence advertisers often attempt to improve their company’s image by promoting some energy efficient, environmentally sensitive, or socially responsible aspect of the firm’s operations. Companies like McDonald’s, Nike, and Levi Strauss for example, communicate their ethical and corporate social responsibility to the general public through paid advertising, publicity events, website postings, and annual reports (Pollach, 2003). Positive attitudes towards the firm should therefore increase purchase
intent, e.g. positive feelings about Apple Corporation are likely to translate directly into purchase intent for Apple products.

In addition to the direct effect of attitude towards the advertiser on purchase intent, there is also likely to be an indirect effect via brand attitude. When consumers have a positive attitude towards the advertiser, this may produce a halo effect whereby customers associate their positive attitudes about the firm, to the products themselves. The Apple corporation for example enjoys such a position, as the firm is well-liked in the market, as it has an excellent reputation for quality and innovation. Hence the positive attitude towards Apple as a company, is likely to accrue to the Apple brand, and improve brand attitude. We therefore hypothesize:

\[ H3. \] The more positive the attitude towards the advertiser, (a) the greater the purchase intent, and (b) the more positive the attitude towards the brand.

**Effects of attitude towards the brand**

An important factor affecting purchase is the product’s brand. The theory of reasoned action suggests that if a brand is highly regarded this will positively influence behavioral intent (Ajzen and Fishbein, 1980; Shimp, 1981). Empirical evidence strongly supports the positive relationship between attitude towards a brand and purchase intent (Del Barrio-Garcia and Luque-Martinez, 2003; Goldsmith *et al.*, 2000; Shimp, 1981). Although these studies examined attitudes towards the brand and purchase intent for adult respondents, some research has also tested these relationships using children as respondents (Martin and Bush, 2000). Phelps and Hoy (1996), for example, conducted an experiment on 43 third graders and 68 sixth graders which resulted in findings similar to those of adult subjects – children’s attitude towards the advertisement positively affected attitude towards the brand for both familiar and unfamiliar brands. Mothers’ attitudes towards a given brand can also directly affect purchase intent, but there is also likely to be an indirect effect via children’s positive attitudes. Where children’s attitudes are positive, this can lead to “pester power”, thus positively influencing a mother’s purchase intent (Rose *et al.*, 1998). Therefore, we hypothesize:

\[ H4. \] The more positive the attitude towards the brand, the greater the purchase intent.

**Methodology**

*Selection of the advertisements*

The two advertisements selected for use in this study were chosen because they were rated by a representative sample of Indonesian mothers as being the most “ethical” or “unethical” of a series of advertisements presented to them. The ethicality of these advertisements was objectively assessed in a previous phase of the research using an experimental research design known as “best-worst scaling” (Finn and Louviere, 1992; Flynn *et al.*, 2007). Our sampling frame of advertisements was drawn from an online Indonesian TV advertisement library (www.tvconair.com). In total, 53 advertisements targeting children were viewed and a shortlist of five potentially unethical advertisements, and four ethical advertisements were chosen for testing using best-worst scaling. The results of the best-worst scaling procedure were unequivocal, and the most ethical advertisement according to our representative sample of mothers, was a major dairy product manufacturer’s advertisement for a milk product (which educated children by emphasizing the importance of drinking milk), and the least ethical was one advertising a well-known brand of children’s
shoes (which exaggerated the benefits of the product as the advertisement shows a boy reaching school faster by wearing the shoes. It is also implied that it is okay for children to wake up late, as they won't be late for school if they wear these shoes).

Sample size and characteristics
In our sampling plan we ensured that each of the four cultural groups was represented by a sample of 100 respondents, making a total of 400 respondents. This is consistent with the rule of thumb determining sample size, i.e. a sample size larger than 30 and smaller than 500 is appropriate for most research (Roscoe, 1975), as it would provide us with enough data points to calibrate our measurement and structural models. The respondents from each cultural group were randomly selected from a list of mothers who had children below 12 years of age, and who resided in one of the four specific regions in Indonesia where our data was collected.

The majority of respondents were stay-at-home Indonesian mothers from four very different cultural backgrounds (Javanese, Batak, Minang, and Balinese) with children below 12 years of age. The rationale for choosing mothers as participants was that mothers spend more time with their children than fathers. They are also more likely to have better knowledge of their children’s television viewing habits and the content of the advertisements their children are watching. Moreover, as primary caregivers for children below the age of 12, mothers are the main decision makers in choosing what is best for their children. Also, culturally males do not equally share domestic chores such as shopping, giving mothers the key role in most family purchase decisions (Irawan, 2004; Kertajaya, 2005).

In cross-cultural research, sample comparability is a critical issue, because non-comparable samples could lead to alternative explanations for any differences in results across cultures (Mullen, 1995; Lee and Green, 1991). It was therefore important to use participants with very similar demographic characteristics to reduce any potential bias from these differences. To do this we ensured that respondents within each cultural group had similar characteristics in terms of age, occupation, educational background and number of children (Table I). Thus, we ensure that any observed effects would be either a general phenomenon, or explainable because of differences in their cultural backgrounds, or religious affiliations. Of all demographic characteristics, culture and religion are known to have the biggest influence on people’s ethical judgments (Vittel and Muncy, 1992; Vittel et al., 1993). Hence we purposely selected samples with significant cultural differences. In addition we conducted tests of metric equivalence to assess whether the effects that we observe in our models are truly comparable. The results of these tests are reported later, in the section: tests of metric equivalence.

While the majority of respondents share the same basic demographics, the one distinctive difference between the four cultural groups is their religion. Most of the Javanese and Minang participants were Muslim (90 and 100 percent, respectively), however, the Minang from West Sumatra, are strongly influenced by the Wahhabi movement which strictly observes the tenets of the Koran, while the Javanese follow a more moderate form of Islam influenced by traditional beliefs (Geertz, 1976). In addition 85 percent of the Batak participants were Christian, and 100 percent of the Balinese were Hindu (Table I). As religion and culture influence people’s ethical beliefs (Vittel and Muncy, 1992), and attitudes towards controversial advertising (Fam et al., 2004), using these four groups allows us to assess the influence of these factors on their attitudes.
Development of survey instrument

Data was collected using a highly structured questionnaire, and all variables were measured with reflective multi-item scales, using seven-point Likert scales anchored by 1 – “completely disagree” to 7 – “completely agree”. Reflective multi-item measures were used because they allow for statistical testing of dimensionality, validity, and reliability. Details of each scale can be found in the Appendix, and the measurement properties are provided in Table II.

As the questionnaire was administered in Bahasa Indonesia, the native language of Indonesia, with the original instrument developed in English, back-translation was required. The translation was done twice: first the questionnaire was translated into Bahasa Indonesia by a certified National Accreditation Authority Translators Interpreters, and then translated back into English. The purpose of translating back into English was to ensure:

- lexical equivalence (the words used have the same meaning);
- idiomatic equivalence (an idiom in one language may not lend itself to translation into another language); and
- conceptual equivalence (the meanings of certain words must not differ in a different culture) (Cavana et al., 2001).

The questionnaire was pre-tested with a sample of respondents to identify and eliminate potential problems regarding question wording, sequence, form, and layout. Overall, the questionnaire performed well, and required only minor changes.

Data collection

The surveys were conducted in four cities Yogyakarta (Javanese respondents), Medan (Batak), Padang (Minang) and Denpasar (Balinese). Immediately after viewing the first advertisement (e.g. the ethical one), respondents were asked to complete a questionnaire about their attitudes to the advertisement itself and its ethicality,
their attitudes about the advertiser, the brand, and their intent to purchase the advertised product when a category need next arose. Respondents were then shown a second advertisement, this time one that was rated as the least ethical, after which they completed the same set of questions about the second advertisement. Our rationale for using two different advertisements was that we wanted to see whether our model testing results were a general phenomenon, or an artifact of the type of advertisement under investigation, i.e. ethical versus unethical.

Assessment of dimensionality, reliability, and validity

Principal components analysis revealed that all the reflective multi-item constructs were unidimensional. We used partial least squares (PLS) to assess our measures. All items performed well and most had high standardized factor loadings, suggesting that they were adequate measures of the latent variables. Convergent validity was established in two ways, first the t-statistics for each item are all statistically significant (Anderson and Gerbing, 1988), and second, the average variance extracted (AVE) for each construct exceeded 0.50 (Fornell and Larcker, 1981), in all but two of the 40 cases. The AVEs for the ethicality of the advertisement in both the Javanese and Minang datasets, for the ethical advertisement were 0.38, and 0.43, respectively.

Given the close similarity in the conceptual domains of our variables (e.g. the attitude towards advertiser and attitude towards brand in the advertisement), and the likelihood of high correlations between these variables, it was also important that we

<table>
<thead>
<tr>
<th>Construct</th>
<th>Item</th>
<th>Standardized factor loadings</th>
<th>Cronbach's $\alpha$</th>
<th>Composite reliability</th>
<th>Average variance extracted</th>
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<tbody>
<tr>
<td>Ethicality of advertisement</td>
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<td>0.88</td>
<td>0.91</td>
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<td></td>
<td>2</td>
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<td>3</td>
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<td>4</td>
<td>0.833</td>
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<td>6</td>
<td>0.815</td>
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<td>0.88</td>
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<tr>
<td>Attitude towards brand</td>
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<td>Purchase intent</td>
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Table II. Assessment of measurement for reflective constructs

Notes: Due to space limitations we only provide one of the eight tables detailing the measurement properties of the scales, as they are all very consistent; the one provided above is for the unethical advertisement, and data was provided by the respondents in Bali.
stringently test for discriminant validity. We used two sets of criteria to establish discriminant validity. First the squared correlation for any pair of constructs should be less than the AVE for each of those individual constructs (Fornell and Larcker, 1981). With responses from four cultural groups, two advertisements, and five variables being measured, this required testing 80 separate pairs of variables. In all 80 cases this criterion was met. Second, we examined the pattern of loadings and cross-loadings of all items on all latent variables. To establish discriminant validity, no item should load more heavily on another construct than on the construct it purports to measure (Chin, 1998). All items passed this test, so again, discriminant validity was established.

Reliability analysis reveals that the $\alpha$ coefficients and composite reliabilities for our scales are adequate, with only one of the 40 scales having a Cronbach’s $\alpha$ below 0.7 ($\alpha = 0.66$), and the lowest composite reliability was 0.78, suggesting good internal consistency in our measures (Table II for indicative factor loadings, alphas, composite reliabilities, and AVEs). Overall, the tests reveal that measurement properties of our scales are good.

**Formal tests of mediation**

Our conceptual model specifies a direct relationship between all of our antecedent variables and purchase intent, but also a series of mediating effects. In order to formally test for mediation we used Baron and Kenny’s (1986) criteria to establish whether the conditions for mediation exist. Our first step was to establish that the initial variable was correlated with the outcome variable. The criterion does not require that the coefficient be statistically significant, only that it be non-zero (Kenny et al., 1998). Of the 32 path coefficients we tested, none are zero, though some are small. Despite this Baron and Kenny’s (1986) first criterion is met, though most analysts agree that Step 1 is not required, what is more important is that Steps 2 and 3 are met. Step 2 was to establish that the initial variable is correlated with the mediator. This condition was met in all cases in all of our models. Not only are the coefficients non-zero, all are highly significant (though again, this condition is not necessary to establish mediation). Third, we demonstrated that the mediators affect the outcome variable. In 28 of the paths, the mediator affects the outcome variable, as all of the path coefficients are significant at $p < 0.05$ or better, most are significant at $< 0.01$. In three cases the paths are significant at approximately $p = 0.10$, and in only one case was the path non-significant, though in accordance with Baron and Kenny’s (1986) criterion, the path was non-zero, hence this condition is met. If Steps 2 and 3 are met, partial mediation is indicated. We then used a fourth step to test whether the mediator completely mediates the X (independent variable) $\rightarrow$ Y (dependent variable) relationship. In order to establish this, we ran a Sobel (1982) test by estimating Path a (X variable $\rightarrow$ mediator), and Path b (mediator $\rightarrow$ Y variable). We used the resulting $t$-statistics to calculate a $Z$-statistic to assess whether there is a statistically significant path mediating the relationship between the X and Y variables. Using the Sobel (1982), Aroian (1944/1947) and Goodman (1960) versions of the test, in 19 of the 24 tests the $Z$-statistics were $> 1.96$, indicating that there is a statistically significant mediating effect between the X and Y variables. However, Step 4 is not required to be met unless one expects complete mediation. Given the results of these tests we can conclude the conditions for mediation exist in our model. Moreover, at the very least there is partial mediation, and in many cases full mediation.
Tests of metric equivalence

Measurement invariance concerns whether the same measurement model of theoretical constructs holds true across different cultural groups (Durvasula et al., 1993). In any comparative study across heterogeneous groups, measurement invariance is necessary for valid inference and interpretation (Horn and McArdle, 1992). According to Steenkamp and Baumgartner (1998), when the purpose of the study is to compare standardized measures of association such as path coefficients across the groups, up to four nested models of measurement invariance should be tested.

The first model is to test for full configural invariance with the same patterns of free and fixed model parameters across the groups. Configural invariance is the necessary condition for establishing whether the constructs can be conceptualized in the same way across the groups. The second model is to test for full metric invariance in which the factor loadings are constrained to be the same across the groups. If this model is not supported by the data, then one should test for the third model of partial metric invariance by freeing some factor loadings. The fourth model is to test for factor variance invariance necessary for valid comparison of the path coefficients such as those shown later in Table V.

We ran two sets of the four models of measurement invariance across the four cultural groups in this study, one for unethical advertisement and the other for ethical advertisement. The measurement invariance analysis results are summarized in Tables III and IV, respectively.

<table>
<thead>
<tr>
<th>Model description</th>
<th>$\chi^2$</th>
<th>df</th>
<th>$\Delta\chi^2$</th>
<th>$p$-value</th>
<th>RMSEA</th>
<th>TLI</th>
<th>CFI</th>
<th>CAIC</th>
<th>$\chi^2$/df</th>
</tr>
</thead>
<tbody>
<tr>
<td>M1: full configural invariance</td>
<td>1,115.261</td>
<td>640</td>
<td>N/A</td>
<td>N/A</td>
<td>0.075</td>
<td>0.978</td>
<td>0.981</td>
<td>2,477.14</td>
<td>1.74</td>
</tr>
<tr>
<td>M2: full metric invariance</td>
<td>1,180.624</td>
<td>685</td>
<td>M2 vs M1</td>
<td>65.363</td>
<td>0.025</td>
<td>0.074</td>
<td>0.978</td>
<td>0.980</td>
<td>2,228.41</td>
</tr>
<tr>
<td>M3: partial metric invariance</td>
<td>1,168.623</td>
<td>684</td>
<td>M3 vs M1</td>
<td>53.362</td>
<td>0.157</td>
<td>0.073</td>
<td>0.979</td>
<td>0.981</td>
<td>2,228.87</td>
</tr>
<tr>
<td>M4: full factor variance invariance</td>
<td>1,192.618</td>
<td>699</td>
<td>M4 vs M3</td>
<td>23.995</td>
<td>0.065</td>
<td>0.080</td>
<td>0.976</td>
<td>0.982</td>
<td>2,241.42</td>
</tr>
</tbody>
</table>

Table III. Measurement invariance analysis results for “unethical” advertisement

<table>
<thead>
<tr>
<th>Model description</th>
<th>$\chi^2$</th>
<th>df</th>
<th>$\Delta\chi^2$</th>
<th>$p$-value</th>
<th>RMSEA</th>
<th>TLI</th>
<th>CFI</th>
<th>CAIC</th>
<th>$\chi^2$/df</th>
</tr>
</thead>
<tbody>
<tr>
<td>M1: full configural invariance</td>
<td>1,168.121</td>
<td>640</td>
<td>N/A</td>
<td>N/A</td>
<td>0.078</td>
<td>0.948</td>
<td>0.958</td>
<td>2,555.23</td>
<td>1.83</td>
</tr>
<tr>
<td>M2: full metric invariance</td>
<td>1,281.963</td>
<td>685</td>
<td>M2 vs M1</td>
<td>113.842</td>
<td>0.000</td>
<td>0.080</td>
<td>0.944</td>
<td>0.951</td>
<td>2,346.25</td>
</tr>
<tr>
<td>M3: partial metric invariance</td>
<td>1,221.405</td>
<td>678</td>
<td>M3 vs M2</td>
<td>53.284</td>
<td>0.051</td>
<td>0.076</td>
<td>0.950</td>
<td>0.956</td>
<td>2,336.35</td>
</tr>
<tr>
<td>M4: full factor variance invariance</td>
<td>1,245.620</td>
<td>693</td>
<td>M4 vs M3</td>
<td>24.215</td>
<td>0.062</td>
<td>0.080</td>
<td>0.940</td>
<td>0.951</td>
<td>2,374.12</td>
</tr>
</tbody>
</table>

Table IV. Measurement invariance analysis results for “ethical” advertisement
Table III presents the measurement invariance test results for “unethical” advertisement. The configural invariance measurement model of the five constructs was estimated first. Based on its model fit indices (e.g. both TLI and CFI > 0.9, RMSEA < 0.08, \( \chi^2/df < 5 \)) plus the fact that all hypothesized factor loadings were highly significant, we can conclude that the five scales exhibited adequate configural invariance across the four groups.

The full metric invariance model was tested next by constraining the matrix of factor loadings to be invariant across the groups. As shown in Table IV, the \( \chi^2 \) difference test comparing this model (M2) with the first model (M1) was statistically significant (\( \Delta \chi^2 = 65.363, df = 45, p < 0.05 \)), thus indicating that the full metric invariance model was not supported by the data. We thus proceeded to the test for the third model of partial metric invariance by freeing some factor loadings. After one factor loading was set free, the resulting third model (M3) of partial metric invariance was found to have a model fit that is not significantly worse (\( \Delta \chi^2 = 53.362, df = 44, p > 0.05 \)) than that of the configural invariance model (M1). In terms of other fit statistics, CFI was the same while TLI, RMSEA, and CAIC actually improved. Thus, it can be concluded that partial metric invariance is supported.

The final step was to impose factor variance invariance on the model. Because there was no statistically significant increase in the \( \chi^2 \) (\( \Delta \chi^2 = 23.995, df = 15, p > 0.05 \)) between the partial metric invariance model (M3) and the full factor variance invariance model (M4), the model of invariant factor variances was supported.

Similarly, one can interpret the measurement invariance test results in Table IV. The configural invariance model was also supported, although to a lesser extent. Likewise, the data for “ethical” advertisement supported the model of partial metric invariance (with seven factor loading invariance constraints relaxed in M3) and the model of invariant factor variances (M4). Taken together, we found no evidence of differences in the performance of the measurement items for the five constructs across the four groups in both cases.

**Effect sizes and power analysis**

In order to test the proposition that the path coefficients we report represent significant effects, we conducted a *post hoc* effect size analysis using a well established procedure which results in an \( f^2 \) statistic (Chin, 1998; Cohen, 1977). This test involves calculating the \( R^2 \) change in a full/baseline model with all exogenous variables predicting an endogenous variable of interest. The resulting \( R^2 \) is then compared with the \( R^2 \) of a “restricted” model, i.e. the same model with the test variable excluded. An examination of the effects sizes suggested that only two of them are problematic, with effect sizes below \( f^2 = 0.02 \). According to a well established benchmark, \( f^2 = 0.02 \) is indicative of a small but nonetheless significant effect size (Chin, 1998; Cohen, 1977). Cohen (1977) notes that many effect sizes are of this order of magnitude in the behavioral sciences, because moving from a theoretical construct to its operationalization inevitably involves the introduction of “noise”/measurement error in the data. Given that even an effect size of \( f^2 = 0.02 \) is considered low but acceptable, we can conclude that all but two of our effects sizes represent significant, non-trivial effects. Specifically, 13 of the 15 \( f^2 \) results are \( \geq 0.04 \), though many of the effect sizes are substantial, as seven are moderate to large (\( f^2 \geq 0.15 \) is moderate, \( f^2 \geq 0.35 \) is large).
We also assessed the statistical power of the structural model results using tests advocated by Faul et al. (2007), and G*Power 3 software. In doing this used a significance level ($\alpha$) of 0.05 for our likelihood of making a Type I error, and a power ($1 - \beta$) representing the probability of making a Type II error. Nine of the tests had sufficient power, i.e. $\geq 0.80$ benchmark, and one further test approached this benchmark (0.75). Five of the 16 tests however were below the $\geq 0.80$ benchmark, which indicates low statistical power. Whilst these results are not perfect, they are simply the result of our relatively small sample sizes ($n = 100$ for each PLS model tested). Taking both sets of results (the effects sizes and power analyses) into consideration, we can conclude that the results we report in Table III represent significant effects, and that the implications of our structural model testing are sound.

Results

PLS model estimation

PLS was used to estimate the structural models for various reasons. Specifically, our samples are relatively small, we make no assumptions about multivariate normality, and our primary concern is prediction of our endogenous variables (Chin, 1998; Diamantopoulos and Winklhofer, 2001; Fornell and Bookstein, 1982; Wold, 1989). In order to establish the stability and significance of our parameter estimates, we used Smart PLS Version 2 (Ringle et al., 2005) to compute the $t$-statistics, using 500 bootstrap samples. As shown in Table V, our model has high explanatory power, as the $R^2$ results for purchase intent range from 0.500 to 0.778. This suggests that our models explain between 50.0 percent and 77.8 percent of the variance in this endogenous variable. The implications of this are important, and suggest that even with only four predictor variables, our model explains at least 50 percent of the variance in purchase intent. Similarly, the $R^2$ results for the other endogenous variables are generally very high, again suggesting that our model has high predictive power.

The broad picture that emerges from our hypothesis testing is that there is a high level of consistency across the four cultural groups, and between the two advertisements. Turning first to $H1a$ relating to ethicality of the advertisement to purchase intent, none of the eight tests of this hypothesis were supported. No link was found between these variables across all four cultural groups, regardless of whether the advertisement was ethical, or unethical. Conversely, all eight tests of $H1b$ linking the ethicality of the advertisement and the likeability of the advertisement were strongly supported.

$H2a$ linking the likeability of the advertisement to purchase intent was supported for two cultural groups (Javanese and Minang) for the unethical advertisement, but in only one group for the ethical advertisement (the Minang). In contrast, all eight tests of $H2b$ linking the likeability of the advertisement to one’s attitude towards the advertiser were strongly supported.

Turning now to $H3a$ linking the respondent’s attitude towards the advertiser and purchase intent, only one of the eight tests of this hypothesis were supported (Minang group, for the unethical advertisement). All eight tests of $H3b$ however, linking attitude towards the advertiser and attitude towards the brand were strongly supported. Finally, strong support was found in all eight tests for the positive relationship between attitude towards the brand and purchase intent ($H4$).
## Table V. PLS model testing results

<table>
<thead>
<tr>
<th>Linkage in the model</th>
<th>Hyp. no.</th>
<th>Hyp. sign</th>
<th>Bali</th>
<th>Java</th>
<th>Minang</th>
<th>Bali</th>
<th>Java</th>
<th>Minang</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ethicality of Ad → purchase intent</td>
<td>H1a</td>
<td>+</td>
<td>0.206</td>
<td>-0.092</td>
<td>-0.169</td>
<td>-0.083</td>
<td>0.126</td>
<td>-0.079</td>
</tr>
<tr>
<td>Ad likeability → purchase intent</td>
<td>H1b</td>
<td>+</td>
<td>0.752***</td>
<td>0.854***</td>
<td>0.882***</td>
<td>0.810***</td>
<td>0.721***</td>
<td>0.519***</td>
</tr>
<tr>
<td>Ethicality of Ad</td>
<td>+</td>
<td>0.206</td>
<td>-0.092</td>
<td>-0.169</td>
<td>-0.083</td>
<td>0.126</td>
<td>-0.079</td>
<td>0.076</td>
</tr>
<tr>
<td>Ad likeability</td>
<td>+</td>
<td>0.752***</td>
<td>0.854***</td>
<td>0.882***</td>
<td>0.810***</td>
<td>0.721***</td>
<td>0.519***</td>
<td>0.385***</td>
</tr>
<tr>
<td>Att. to advertiser → purchase intent</td>
<td>H3a</td>
<td>+</td>
<td>0.113</td>
<td>0.134</td>
<td>0.071</td>
<td>0.182*</td>
<td>-0.064</td>
<td>0.002</td>
</tr>
<tr>
<td>Att. to advertiser</td>
<td>+</td>
<td>0.113</td>
<td>0.134</td>
<td>0.071</td>
<td>0.182*</td>
<td>-0.064</td>
<td>0.002</td>
<td>0.120</td>
</tr>
<tr>
<td>Attitude to brand → purchase intent</td>
<td>H4</td>
<td>+</td>
<td>0.591***</td>
<td>0.707***</td>
<td>0.632***</td>
<td>0.600***</td>
<td>0.618***</td>
<td>0.725***</td>
</tr>
</tbody>
</table>

**NB:** The “universal paths” are in italics face in the “linkage in the model” column.

### Model statistics: “unethical” advertisement

<table>
<thead>
<tr>
<th>R² for purch.</th>
<th>R² for purch.</th>
<th>R² for purch.</th>
</tr>
</thead>
<tbody>
<tr>
<td>intent = 0.557</td>
<td>intent = 0.587</td>
<td>intent = 0.778</td>
</tr>
<tr>
<td>R² for attitude to brand</td>
<td>R² for attitude to brand</td>
<td>R² for attitude to brand</td>
</tr>
<tr>
<td>brand = 0.288</td>
<td>brand = 0.213</td>
<td>brand = 0.744</td>
</tr>
<tr>
<td>R² for att. to advertiser</td>
<td>R² for att. to advertiser</td>
<td>R² for att. to advertiser</td>
</tr>
<tr>
<td>advertiser = 0.439</td>
<td>advertiser = 0.569</td>
<td>advertiser = 0.480</td>
</tr>
<tr>
<td>likeability = 0.566</td>
<td>likeability = 0.730</td>
<td>likeability = 0.656</td>
</tr>
</tbody>
</table>

### Model statistics: “ethical” advertisement

<table>
<thead>
<tr>
<th>R² for purch.</th>
<th>R² for purch.</th>
<th>R² for purch.</th>
</tr>
</thead>
<tbody>
<tr>
<td>intent = 0.524</td>
<td>intent = 0.525</td>
<td>intent = 0.647</td>
</tr>
<tr>
<td>R² for attitude to brand</td>
<td>R² for attitude to brand</td>
<td>R² for attitude to brand</td>
</tr>
<tr>
<td>brand = 0.174</td>
<td>brand = 0.102</td>
<td>brand = 0.252</td>
</tr>
<tr>
<td>R² for att. to advertiser</td>
<td>R² for att. to advertiser</td>
<td>R² for att. to advertiser</td>
</tr>
<tr>
<td>advertiser = 0.311</td>
<td>advertiser = 0.169</td>
<td>advertiser = 0.621</td>
</tr>
<tr>
<td>likeability = 0.519</td>
<td>likeability = 0.268</td>
<td>likeability = 0.436</td>
</tr>
</tbody>
</table>

**Notes:** Significant at: * ≤ 0.05 level (one-tailed test); critical value of \(t\) ≥ 1.645, ** ≤ 0.01 level (one-tailed test); critical value of \(t\) ≥ 2.326, *** ≤ 0.001 level (one-tailed test); critical value of \(t\) ≥ 3.090 and **** ≤ 0.10 level (one-tailed test); critical value of \(t\) ≥ 1.282.
Recall that one of the objectives of this research was to examine the direct and indirect effects of advertisement-related, and company-related variables on purchase intent. Moreover, we investigated whether the observed effects were general phenomena, or whether they differed across cultures. Our results show that both indirect and direct effects are present. The one effect that is universally present, however, regardless of cultural group, or the perceived ethicality of the advertisement, is that brand attitude is a very strong predictor of purchase intent. Hence our results corroborate those of existing studies (Goldsmith et al., 2000; Shimp, 1981). No other variable in our model predicts purchase intent so consistently, and the strength of its effects on purchase intent are the highest of all the antecedent variables.

This finding of itself is important, but perhaps more important are our findings about the route by which brand attitude is built. Across all eight models the same pattern of relationships occur, which we call the “universal” paths. Specifically, the ethicality of the advertisement strongly influences the likeability of the advertisement, which in turn strongly affects respondents’ attitudes towards the advertiser. This in turn strongly affects attitude towards the brand, which is a powerful predictor of purchase intent (Figure 2).

A number of significant implications flow from these universal paths. First, regardless of cultural group, or the perceived ethicality of the advertisement, the effects of the antecedent variables on purchase intent are mainly indirect, and operate via the universal paths. Therefore, advertisers seeking direct effects on purchase intent from either the ethicality or the likeability of the advertisement, or the respondent’s attitude towards them as a company are unlikely to find them. The only exceptions we found are for culturally conservative groups, with respect to the likeability of the advertisement, and their attitude towards the advertiser (we discuss this issue further below).

Our findings regarding these universal paths are consistent with persuasive hierarchy models (Vakratsas and Ambler, 1999), as they represent a hierarchy in which earlier effects are a precondition to actions such as purchase. Hence according to the persuasive hierarchy models, if mothers think an advertisement is ethical (cognitive response), they will in turn, like the advertisement (affective response), and will intend to purchase that product (conative response). As noted above though, our results show that this last link (advertisement likeability → purchase intent) is not universal, as the increase in purchase intent is only present in three of the eight cases we examine. Specifically, when an advertisement is perceived to be unethical, its likeability becomes a salient positive predictor of purchase intent for the moderate and strict Muslim groups (the Javanese and Minang). For the ethical advertisement, when that advertisement is perceived as likeable, only one group, the strict Muslim Minang, had a greater purchase intent.

Importantly, our results suggest that the extra evaluative stage we include in our model (i.e. advertisement likeability → attitude towards the advertiser → attitude towards the brand) represents an additional and influential aspect of pre-purchase evaluation. If respondents like the advertisement, this will improve their attitude towards the advertiser, and this in turn will improve their attitude towards the brand. This is important because one’s attitude towards the brand strongly influences purchase intent.
intent across all four cultural groups, for both the ethical and unethical advertisements. Our results therefore suggest that advertisers should factor in this additional stage of evaluation, i.e. building attitude towards the advertiser and the brand into their communication strategy.

With respect to the effects of the advertisement-related factors, one direct effect is always absent in the models, regardless of cultural group, or the perceived ethicality of the advertisement, i.e. ethicality → purchase intent. Hence the ethicality of an advertisement operates as an independent variable which influences the likeability of the advertisement, rather than having a direct effect on purchase intent. Therefore, ensuring that one’s advertisements are ethical is an important step to building likeability, which can have both direct effects on purchase intent (for culturally conservative groups), and indirect effects via the universal paths, for all groups.

For the unethical advertisement, when the culture is conservative, and dominated by moderate to strict Muslim precepts (e.g. Javanese, and Minang), purchase intent increases if the advertisement is likeable. This suggests that advertisers need to regard likeability as an important component of their advertisements when targeting conservative cultures.

Turning now to the effects of the company-related factors, our results suggest that a respondent’s attitude towards the advertiser does not affect purchase intent, except for the culturally conservative Minang group, where the advertisement is perceived to be unethical. This reinforces the importance of an advertisement’s likeability, as this influences the attitudes towards the advertiser for the culturally conservative Minang.

Another important result is that one’s attitude towards the advertiser strongly influences one’s attitude towards the brand, across all groups, for both ethical and unethical advertisements (i.e. it is one of the universal paths). Importantly, the path coefficients show that these effects are strongest for the culturally conservative groups. Last, the strongest and most consistent driver of purchase intent is one’s attitude towards the brand, and again, this is one of the universal paths.

Theoretical implications
This research makes a number of contributions to the literature, the first of which is that we identify a consistent pattern of linkages between advertisement- and company-related factors, and purchase intent, i.e. the universal paths. We use this term because these paths are present across all four cultural groups included in this study, and are present regardless of whether an advertisement is perceived to be ethical, or unethical. This finding has important theoretical implications, as it adds further insight into the precise means through which advertisements elicit purchase intent. It suggests that there may be another important evaluative stage prior to purchase intent. Specifically, potential purchasers reflecting on their attitudes towards the company itself, and that company’s brands, before purchasing.

Second, our tests suggest that the strongest effects on purchase intent from advertising-related factors are indirect, rather than direct, operating via the universal paths. In addition, our results show that a company-related factor – attitude towards the brand, is the only variable in our model which always affects purchase intent across the four different cultures, regardless of the ethicality of the advertisement. Our findings therefore provide strong evidence supporting the theoretical importance of brand equity, and the strategic use of advertisements to build brand equity.
Managerial implications

The managerial implications of our results are important, and demonstrate that regardless of the cultural group being targeted, there is value in long-term strategic efforts to build brand equity. Our results suggest that this can be done by producing ethical, likeable advertisements which improve customers’ attitudes towards the advertiser, and in turn, their attitudes towards that advertiser’s brands. Moreover, for culturally conservative groups, likeability may be a salient predictor of purchase intent, regardless of whether the advertisement is perceived to be ethical or unethical. Managers should therefore ensure that advertisements targeting such groups are likeable, e.g. through the use of celebrity endorsements, or humor.

In addition, regardless of the conservativeness of the cultural group, or the perceived ethicality of the advertisement, brand attitude is the strongest predictor of purchase intent in all eight models, reinforcing the importance of brand attitude as an explanatory variable. Our results therefore imply that advertisers should direct some of their advertising and marketing communication efforts to activities which build a positive brand attitude through such tools as community sponsorship, sales promotions, and brand-based advertisements. By building brand equity, firms can increase purchase intent across all cultural groups, whether they are culturally permissive, or conservative in nature.

The emergence of the universal paths also provides important insights for advertisers. Specifically, they should not expect that merely because an advertisement is perceived to be ethical, that this will directly lead to purchase intent. Ethicality (along with other factors) contributes to the likeability of the advertisement, which via the universal paths, triggers purchase intent. Hence advertisers seeking to improve the likeability of their advertisements should ensure that the claims and images presented are perceived as ethical, particularly when advertising to culturally conservative market segments.

Our study therefore shows that marketing to culturally conservative groups should be done with careful consideration, as more explanatory variables may become salient with such groups, e.g. the likeability of the advertisement, and their attitude towards the advertiser. For advertisements which are perceived to be unethical, culturally conservative groups such as the Javanese and Minang have a lower purchase intent if the advertisement is disliked. For the ethical advertisement, the likeability of the advertisement is unimportant for the permissive cultures (Balinese and Batak), and for the Javanese, but becomes an important predictor of purchase intent for the more conservative Minang.

Our results therefore suggest that there is little to be gained in targeting either conservative or permissive audiences with advertisements that could potentially be construed as unethical, as such advertisements will be disliked. This could indirectly affect purchase intent for the permissive cultures via the universal paths, and directly for the more conservative cultures. Hence it would be prudent for advertisers to stringently pretest their advertisements targeting either culturally conservative or permissive groups in Asia, to ensure that no elements of the advertisements are perceived by those target audiences to be potentially unethical or unlikeable.

Conclusion, limitations, and directions for future research

In this research we collected data from four different cultural groups, and measured their attitudes after having exposing them to two different advertisements,
one perceived to be ethical, and one unethical. Despite the diversity of the four samples, the results we report show a high degree of consistency, hence our findings are likely to have significant external validity.

Our conclusion regarding advertising to culturally conservative groups is that caution is required. If an advertisement is perceived to be unethical the less likely it is that the culturally conservative groups will like the advertisement. This is important because the relationship between advertisement likeability and purchase intent is present for conservative groups. We do not see this phenomenon with the more permissive cultures. In addition, for culturally conservative groups such as the Javanese and Minang, their attitude towards the advertiser can become a salient predictor of purchase intent, even though it is not generally salient for more permissive cultures.

It should be noted that there are some limitations to this study. The products represented in the advertisements (milk and shoes) are from well-known suppliers in Indonesia, they are both low involvement products, and consumers’ responses may be different for high involvement ones. Future research could therefore examine whether the effects we observe here are a more general phenomenon, or restricted primarily to low involvement products.

Also, given the context of the study, i.e. mothers’ attitudes to TV advertising to their children, all the data are from women, and future research could examine whether the results we report here are gender-neutral. Therefore, future studies could test for gender differences in the associations between specific variables, and purchase intent.

In addition our modeling revealed a framework of “universal paths”, which are consistent with the persuasive hierarchy models (Vakratsas and Ambler, 1999). Our model could therefore be tested further in various other sales contexts to gain a better understanding of customers’ attitudes, and their influence on their purchase intent. By doing this advertisers will be better able to develop more effective advertising and marketing communication campaigns.

A further limitation is that we were not able to establish significant effects sizes for some of the path coefficients in our model, and the statistical power of some tests is somewhat low. Future research could employ larger samples, and better measures of the variables to ensure that these criteria are met.

Last, as our model is tested with cross-sectional data, and we are attempting to make inferences about effects that are temporally ordered, future research could employ a longitudinal design to further investigate the phenomena we examine in this current study.

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**Further reading**


**About the authors**

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<table>
<thead>
<tr>
<th>Construct</th>
<th>Items</th>
<th>Adapted from</th>
</tr>
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<tbody>
<tr>
<td>Ethicability of the advertisement</td>
<td>Seven-point scale anchored by 1 “completely disagree” and 7 “completely agree.” (1) this advertisement is fair; (2) this advertisement is just; (3) this advertisement is morally right; (4) this advertisement is traditionally acceptable; (5) this advertisement is acceptable to my family; and (6) this advertisement is culturally acceptable</td>
<td>Tansey et al. (1992) Multi-dimensional Ethics Scale (MES)</td>
</tr>
<tr>
<td>Likeability of the advertisement</td>
<td>Seven-point scale anchored by 1 “completely disagree” and 7 “completely agree.” (1) I like this advertisement; (2) I feel positive towards this advertisement; (3) I react favorably towards this advertisement; and (4) this advertisement is good</td>
<td>Simpson et al. (1998)</td>
</tr>
<tr>
<td>Attitude towards the advertiser</td>
<td>Seven-point scale anchored by 1 “completely disagree” and 7 “completely agree.” (1) I have a very favorable attitude towards this advertiser; (2) I have a good impression of this advertiser; (3) I have a pleasant attitude towards this advertiser; and (4) I think the advertiser has a very good reputation</td>
<td>Simpson et al. (1998) and Peterson et al. (1992)</td>
</tr>
<tr>
<td>Attitude towards the brand</td>
<td>Seven-point scale anchored by 1 “completely disagree” and 7 “completely agree.” (1) buying (specific brand) is a good decision; (2) I think (specific brand) is a satisfactory brand; (3) I think (specific brand) has a lot of beneficial characteristics; and (4) I have a favorable opinion of (specific brand)</td>
<td>Putrevu and Lord (1994)</td>
</tr>
<tr>
<td>Purchase intent</td>
<td>Seven-point scale anchored by 1 “completely disagree” and 7 “completely agree.” (1) It is very likely I will buy (specific brand) in the future; (2) I will purchase (specific brand) the next time I need (product category) for my child; and (3) I will definitely try (specific brand) in the future</td>
<td>Putrevu and Lord (1994)</td>
</tr>
</tbody>
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