# Offensive Advertisements Influence You More Than Me: An Examination of the Third-Person Effects in the Chinese Cultural Context

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This study examined the third-person effect (TPE) hypothesis (Davison, 1983) in offensive advertising in the Chinese cultural context. Based on a survey of 1,539 Chinese Internet users about the third- and firstperson effects among offensive ads, neutral ads, and public service ads, the study inquires into the relationship between the TPE and respondents' levels of acceptance toward advertising. Besides confirming the TPE existence in an Eastern cultural context, the results suggest that the TPE predict wordof-mouth (WOM) spreading for both offensive and neutral product ads, but not for PSAs. Theoretical contributions and managerial implications of these findings are discussed.

Keywords: offensive advertising, third-person effect (TPE), first-person effect, Chinese culture

#### **INTRODUCTION**

Offensive advertising has received extensive scholarly attention in recent years (Jensen & Collins, 2008; Saad et al., 2015). Broadly speaking, offensiveness in advertising is defined as issues that are sensitive for advertising agencies and their clients because they tend to be perceived as negative and adverse by consumers, which can affect a brand's image and endanger its customer loyalty (Prendergast, Cheung, & West, 2008). In the current study, we defined offensive ads as those for products that annoy or irritate consumers, specifically, those for products with a negative stigma. For instance, ads for alcohol, cigarettes, and intimate care products usually evoke negative emotions in consumers (e.g., Banning, 2001; Jensen & Collins, 2008). Offensive advertising may impose immediate pressure on advertisers to withdraw their ads, cause media to stop accepting the ads, or lead to marketers to encounter company/product boycotts (Prendergast et al., 2008).

Scholars have studied offensive advertising from a variety of perspectives in Western cultural contexts (e.g., Fahy et al., 1995; Rehman & Brooks, 1987; Shao & Hill, 1994a, b; Waller, 1999, 2005; Waller, Fam, & Erdogan, 2005; Wilson & West, 1981). Most of prior research focused on different formats of offensive advertising and the extent to which audiences would feel annoyed by such ads. However, little scholarly attention has been paid to how audience from other cultural backgrounds perceives the possible effect of offensive advertising on others. Since offensive ads often convey perceived negative information and generally go against social expectations or norms, how offensiveness of ads perceived by others deserves research attention. Cross-cultural studies have documented that third-person effects may be moderated by social and cultural factors within different cultures (Cho & Han, 2004; Wan, Faber, & Fung, 2003). However, little is known about how ads that contain negative stigma affect consumers' perception outside the Western cultural context. Thus, we examine in this study the perceptions of offensive advertising in the context of the Chinese culture.

China was selected because Chinese culture is drastically different from Western cultures (Hofestede, 1991, 2001). Meanwhile, China is one of the world's largest consumer markets. With decades of development in economy and drastic changes in social environment, international advertisers are paying growing attention to the Chinese market. To avoid advertising nightmares like what *Toyota Land Cruiser* had back in 2003, offensive and invidious to Chinese consumers by making inappropriate jokes of popular Chinese cultural symbols (*People's Daily*, 2003), international advertisers should be sensitive to Chinese history, culture, and society. On the other hand, Chinese consumers are exposed to global advertising through various media, including a great amount of online formats (e.g., banners, video add-ons, pop-ups, and social media ads). To date, the number of Internet users in China has reached to 721 million, with a nationwide Internet penetration rate of 52.2 % (*Internet Live Stats*, 2017). Similar to other countries, Internet users in China tend to be younger, better educated, and more affluent than the general consumers in the country. They constantly encounter various advertising either offensive in execution or for negatively stigmatized products, many of which became invidious to Chinese consumers and resulted in negative effects.

It is imperative, therefore, to test the third-person effect of offensive advertising in a Chinese context and explore their implications on marketing communications with Chinese consumers for products with a negative stigma. In particular, the current study is designed to add to the existing literature on third-person effect of offensive advertising research and shed new light on advertisers' understanding of the possible impact of such perceived offensiveness on Chinese consumers' attitudes toward certain products and their behavioral intent.

To gain a good understanding of this gigantic and young market of Internet users in China, our study is designed to explore different types of offensive ads, Chinese Internet users' perception of offensive advertising, and how they perceive offensive advertising's influence on the general public.

## THEORETICAL FRAMEWORK AND RELATED LITERATURE

# Offensive Advertising

Scholars have used different terms to describe offensive advertisements (Li et al., 2002), including unmentionable ads (Wilson & West, 1981), ads for socially sensitive products (Shao & Hill, 1994a, b), irritating ads (Aaker & Bruzzone, 1981), intrusive ads (Li et al., 2002), and ads with shocking appeals (Dahl, Frankenberger & Manchandra, 2003). Controversial ads, offensive ads, and shock ads were mentioned most often in various studies. Research focus was different when applying different methods and using different terms. Initially, offensive advertising was closely related to "unmentionable products," defined as "products, services, or concepts that for reasons of delicacy, decency, morality, or even fear tend to elicit reactions of distaste, disgust, offence, or outrage when mentioned or when openly presented" (Wilson & West, 1981, p. 92). Later, researchers discovered offensive products and offensive executions were two major reasons for consumers' dislike to offensive ads (Barnes & Dotson, 1990). Controversial advertising was, therefore, defined as "that, by the type of product or execution, can elicit reactions of embarrassment, distaste, disgust, offence, or outrage from a segment of the population when presented" (Waller, 2005, p. 11).

Over the past decades, researchers categorized the types of offensive ads and identified main causes for offensive ads. Rehman and Brooks (1987) listed offensive ads as those for feminine hygiene products,

undergarments, alcohol, pregnancy tests, contraceptives, medications, and venereal disease services, while other studies treated advertising targeting at children, alcoholic beverage advertising, political advertising, and sex-related products advertising as sensitive (Fahy et al., 1995). Waller (1999) identified 15 potentially controversial product/service types, such as alcohol, cigarettes, condoms, funeral services, political parties, racially extremist groups, religious denominations, sexual diseases (AIDS, STD prevention), and weight loss programs. Shao and Hill (1994a, b) proposed five types of potentially offensive advertising executions: anti-social behavior, indecent language, nudity, racist images, sexist images, and subjects that are too personal. Furthermore, Waller et al. (2005) added Western/U.S. images as a variable that causes Asian consumers' negative attitudes toward advertising messages. The current research defines *offensive ads* as those for products that annoy or irritate consumers, specifically, those for products with a negative stigma.

# **Cultural Background and Controversial Products**

People from different cultural backgrounds tend to have different perceptions toward the level of offensiveness in advertising and have distinct responses accordingly. Hofstede's cultural dimension theory could help explain the phenomenon (e.g., Fam, Waller, Ong, & Yang, 2008; Fam & Waller, 2003). Hofstede (1991) defined *culture* as "the collective programming of the mind which distinguishes the members of one group or category of people from those of another" (p. 5). In cross-cultural studies, collectivism/individualism (Hofstede, 2001) and high/low-context cultures (Hall, 1976) are two important dimensions to examine cultural differences. In order to discover the third-person effect (TPE) of advertising for controversial products in the Chinese market, one needs to first analyze its culture. There is a research tendency to relate individualism to the Western cultures and collectivism to the Eastern cultures. In individualistic societies, the ties between individuals are comparatively loose. "Everyone is expected to look after himself or herself' (Hofstede, 1991, p. 51). On the contrary, in collectivistic cultures, the members of a society operate within a close-knit social framework with a high emphasis on loyalty to members of that social framework and "emotional dependence of members on their organizations" (Hofstede, 2001, p. 212). Under individualism, "laws, rules, and regulations are institutionalized to protect individual rights" (Kim et al., 1994, p. 8), whereas the morality in collectivism "is more contextual," and "the supreme value is the welfare of the collective" (Triandis, 1995, p. 77). Previous research reported that people in individualistic societies tend to exhibit a larger third-person effect than those in collectivist societies (e.g., Cho & Han, 2004; Hong, 2015; Wan et al., 2003).

Hall (1976) described cultures as high- or low-context based on the importance of the communication message elements to provide meanings. In high-context cultures, there is very little information in the coded message because most information is shared by members within a society. In low-context cultures, mass information is embedded explicitly in the communication messages. Hall and Hall (1990) described Korea, Japan, China, and southern European countries as typical high-context cultures. It was documented in prior research that consumers from high-context societies with collectivistic cultural backgrounds tend to criticize sex-related products and ads, as well as commercials that have negative social influences, whereas consumers from low-context societies with individualistic cultural backgrounds tend to be more tolerant of such advertising information (Li et al., 2007). As Dergast, Ho, and Phau (2002) reported in their study on Hong Kong online advertising, ads with naked images were deemed most offensive while ads merely carrying subtle sexual connotations were found least offensive. In a study on offensive products in four different Asian-Pacific countries and regions, Fam and Waller (2003) found that Malaysian, Taiwanese, and Chinese consumers from collectivistic cultural backgrounds reported a lower level of acceptance to all the four sets of products (sex-related products, social/political groups, health & care products, and addictive products) than consumers in the individualistic New Zealand. Fam et al. (2008) noticed that most offensive products and services for Chinese consumers are gambling, racially extreme groups, female contraceptives, and religious denominations. Alcohol and cigarettes are regarded as "public products," so related ads are only moderately offensive. However, as for a "private product," ads for condom are highly offensive to Chinese consumers. Most offensive advertising executions include indecent language, hard sell, violence, anti-social behavior, nudity, and racist images.

#### The Third-Person Effect (TPE)

The third-person effect hypothesis, first proposed by Davison in 1983, suggests that individuals tend to perceive media messages, especially negative ones, as having greater effects on other people than on themselves. As a result, people would behave accordingly based on those perceived media effects (Davison, 1983). Over the past 30 years or so, extensive research has been devoted to the test of the TPE (Perloff, 2002). In particular, research has documented that the TPE exists widely in various advertising messages, such as political ads (Meirick, 2004; Paek et al., 2005), prescription drug ads (Huh, Delorme & Reid, 2004), company and brand image ads (Day, 2008), public service ads (e.g., anti-drug ads, Cho & Boster, 2008), AIDs prevention ads (Duck, Terry & Hogg, 1995), and public health promotion ads (Gunther & Storey, 2003). In a meta-analysis of 60 journal articles, including 106 TPE studies and 372 effect sizes, Sun, Pan, and Shen (2008) found that the third-person effect was robust and such effects were not influenced by variations of research procedures. Their study documented that the TPE was, indeed, a strong perception of media messages among users.

Initially, the TPE was only tested with negative messages and offensive topics. Researchers then examined the TPE in neutral or positive messages, and even messages with uncertain attitudes (Cohen & Davis, 1991; Innes & Zeitz, 1998). Researchers discovered that people tend to believe they are more easily affected by positive messages themselves than others. In particular, after comparing the different effects of political campaign messages, media violence messages, and public service ads (PSA), Innes and Zeitz (1988) found that PSAs had the effect of "I was more influenced than others" whereas violent messages had the typical TPE. They further discovered that different effects are depended on different levels of social desirability of the message. Socially desirable messages may have totally different cognition effect than undesirable messages among audiences. Cohen and Davis (1991) came to similar conclusions, which they called the "reverse third-person effect" (p. 680), in studying political ads effects. In the same year, Tiedge et al. named this effect the "first-person effect (FPE)" (p. 141). Since then, many FPE-related studies (Duck el al., 1995; Henriksen & Flora, 1999) have been published, indicating that this effect is ubiquitous in PSAs. Later, Kurt and Edward (2002) divided TPE studies into three categories: the third-person effect, the firstperson effect (the reverse third-person effect), and the second-person effect (consensus effect). Sun et al. (2008) also reported that negative messages that go against social desirability could lead to a strong TPE; neutral or ambiguous messages lead to moderate TPE while socially desirable messages may cause the FPE.

The TPE has been examined extensively in the context of Western cultures (e.g., (Banning, 2001; Huh & Langteau, 2007; Jensen & Collins, 2008), which documents that the TPE exists in ads for drugs, cigarettes, alcohol, and other similar controversial products because people believe others are more vulnerable to the negative messages. However, the FPE was found in PSAs that convey messages about positive and socially desirable behaviors, such as safe sex, AIDs prevention, organ donation, and antismoking. People tend to believe that they are more likely to be affected by positive messages than others (e.g., Day, 2008; Duck et al., 1995; Henriksen & Flora, 1999).

Although results from previous studies on the TPE in advertising have been fruitful, most studies have focused on either socially desirable PSAs or neutral product ads, with few devoted to offensive ads. No prior study has compared TPEs among offensive ads, neutral product ads, and PSAs. In addition, there was a lack of consistence in research results. For example, while some research simply showed that PSAs led to the FPE (Day, 2008), Golan and Banning (2008) found a reversed result, suggesting that PSAs could also cause the TPE. For another example, some research reported the TPE's positive influence on consumers' behaviors (Delorme et al., 2006), others showed a negative (Park & Salmon, 2005) or no relationship (Day, 2008) between TPE and consumers' behaviors.

Lee and Tamborini (2005) reported that for Western audiences, the negative effects of Internet pornography were perceived as greater on others than themselves. Such third-person perception further predicted subsequent support for Internet censorship. On the other hand, for audience in a collectivistic culture, they showed reduced third-person perception and support for Internet pornography censorship. Hong (2015) reached the similar conclusion. The study compared the third-person perceptions between the United States and South Korea. The survey study showed that greater TPE was observed among Americans

than Koreans on the influence of violent video games. However, Koreans showed higher support for censoring violent video games than Americans.

Although cultural values have been found to affect the outcomes of the TPE, few studies have been devoted to the cultural influences on the perceptions of offensive advertising from a TPE perspective. To address this gap in the existing literature, our study tests Jensen and Collins' (2008) analytical framework in an Eastern—specifically, a Chinese—cultural context with a focus on Chinese Internet users. Our study examines if offensive advertising will lead to different outcomes among Chinese audiences. Specifically, this study is intended to identify the differences, if any, in the TPE among offensive ads, neutral product ads, and socially desirable PSAs. Furthermore, this study probes into the possible influence of the TPE/FPE on consumers' behaviors, such as word of mouth and support for media censorship. This study should contribute to the existent literature on TPE and cross-cultural advertising effectiveness.

Based on the studies and theories reviewed above, we propose the first set of hypotheses as follows:

*H1a:* Chinese respondents will believe that other people would be more affected by offensive advertising than they would (TPE).

*H1b:* Chinese respondents will believe that other people would be more affected by neutral advertising than they would (TPE).

*H1c:* Chinese respondents will believe that they would be more affected by socially desirable PSAs than other people would (FPE).

Literature documented that the TPE/FPE is closely related to social desirability of the message. If an ad is not socially desirable, it tends to create the TPE; otherwise, it may create a reversed TPE, namely the FPE. Offensive ads, which convey socially undesirable messages may lead to negative attitudes toward product ads among Chinese consumers (Chan & McNeal, 2003; Zhao & Shen, 1995). They also tend to believe that they are not easily persuaded by those commercials. PSAs, however, are largely believed to be positive and acceptable to the general public if handled appropriately. Prior studies have documented that positive ads tend to create the FPE (e.g., Day, 2008; Duck et al., 1995; Henriksen & Flora, 1999).

Whether advertising creates the TPE or the FPE depends on people's perceptions of a given ad message. Perceived social desirability can influence the TPE. When messages are deemed as socially undesirable, such as negative messages, the TPE tends to be greater (Perloff, 2002). On the other hand, when messages are viewed as socially desirable, they limit or reduce the TPE but increase the FPE. For example, by treating PSAs and product ads as opposite advertising formats, Gunther and Thorson (1992) found that PSAs were perceived as socially desirable while product ads were interpreted as socially undesirable. PSAs lead to the FPE while product ads give rise to the TPE. In a comparative study on the effects of cigarette ads and antismoking ads, Henriksen and Flora (1999) reported that cigarette ads had the TPE on children whereas antismoking ads generated the FPE on them. Banning's (2001) research indicated that neutral ads were less likely to lead to the TPE than ads that carried negative messages.

Although previous research has documented that the TPE/FPE was closely related to social desirability of the message, the relationship between the TPE and the degrees of offensiveness of advertising or consumers' attitudes toward advertising is not clear. According to a study by Perloff (1993), "it remains an empirical question as to whether a third-person effect would emerge for positive messages" (p. 176). Further, Duck and his collaborators' (1995) found contradictory results from Gunther and Thorson's (1992). They discovered that people would not necessarily believe it is socially acceptable to acknowledge the influence of all public service advertisements. Whether typical TPE would emerge is related to people's attitude toward the quality of a message (Duck, Terry, & Hogg, 1995). In order to determine the relationship between social desirability of an ad and its TPE, a correlation between the perceived level of attitudes (divided as negative, neutral, and positive attitudes) toward the ad and the TPE/FPE should be tested. Specifically, negative attitude indicates that the particular ad is not socially desirable. Neutral attitude shows the ad is neither socially desirable nor undesirable. Positive attitude means the particular ad is socially

desirable. Consequently, positive attitude toward advertising is related to higher social desirability, weaker TPE the ad creates, and stronger FPE. Therefore, our second hypothesis was formulated as follows:

*H2:* The third-person effect of all types of ads is negatively correlated to Chinese respondents' perceived level of attitude toward the ad.

In recent years, research has focused more on the subsequent behaviors caused by the TPE or the FPE. Park and Salmon (2005) examined the relationship between the TPE of a company' public relations message and the social desirability of such a message. Results indicated that the stronger the TPE was, the less likely people would support the company. Delorme, Huh, and Reid (2006) found that compared to demographic variables, the TPE could better predict audiences' behaviors, such as talking about advertised medicine with doctors, friends, relatives, and pharmacists; searching for advertised medicine online; and requesting for advertised medicine from doctors and pharmacists. Golan and Banning's (2008) study drew a different conclusion that both product ads and PSAs generated the TPE, but not FPE. They also reported that with an increase of the TPE, people were more likely to participate in socially desirable activities, such as being members of nonprofit organizations and/or donating to charities.

The relationship between TPE/FPE and audiences' subsequent behaviors is complicated. Prior study showed that TPE could lead to supportive attitude and participation of a company's charity events (Golan & Banning, 2008). However, research results were not consistent. Some scholars found a positive correlation while others noticed the opposite (e.g., Day, 2008; Golan & Banning, 2008; Park & Salmon, 2005). Meanwhile, Delorme, et al. (2006) proposed that the TPE also predicts audiences' behaviors of searching for and spreading advertising information. The current study examines the relationship between audiences' subsequent behaviors and the TPE/FPE of advertising. It probes into the word of mouth effect and audience's supportive attitude toward advertising censorship for offensive and neutral ads. It also examines the WOM effect and the supportive attitude toward PSAs. Hence our next set of hypotheses:

*H3a:* When the third-person effect of offensive ads is greater, Chinese respondents are less willing to spread information from the ads in study via word of mouth.

*H3b:* When the third-person effect of offensive ads is greater, Chinese respondents are more supportive of advertising censorship.

*H3c:* When the first-person effect of socially desirable PSAs is stronger, Chinese respondents are more willing to spread information from the ads in study via word of mouth.

*H3d:* When the first-person effect of socially desirable PSAs is stronger, Chinese respondents are more supportive of the WOM spreading of PSAs.

# **METHOD**

### **Procedure**

This research project was conducted in two phases. In the first phase, we used open-ended questions to survey what product/service category that Chinese online users would feel offensive. We chose 132 college students in a major university in the south of China, representative of mainstream Chinese Internet users, as the survey sample. In order to measure perceived offensiveness of different ad types, each student was asked to list three most offensive ad types by memory and explain why they felt offended. In the second phase, we launched our online survey through a professional survey research firm in China and received 1,539 completed responses from the general public late 2012.

## Sampling and the Sample

Since it is impossible to ensure samples to be totally random online, we adopted a quota sampling method. The composition of our samples from different demographical groups was based on the 30th China Internet Development Statistics Report released by China Internet Network Information Center. The ratio of sex is 1:1; ratio of residents from tier one cities (Beijing, Shanghai, and Guangzhou), tier two cities (provincial capital cities and other major municipalities directly under the central government) and remaining cities is 1:1:1. Because Internet users in China are largely young people, there was no stratification for respondents under age of 35. However, 10% was required for both between 35- and 45year-old and above 45 years of age (see Table 1).

TABLE 1 **DESCRIPTIVE STATISTICS** 

	Frequency	Percentage	Effective Percentage	Cumulative Percentage
<u>Gender</u>				
Female	778	50.6	50.6	50.6
Male	761	49.4	49.4	100.0
$\underline{\mathbf{Age}}$				
<18	58	3.8	3.8	3.8
18-25	339	22.0	22.0	25.8
26-35	627	40.7	40.7	66.5
36-45	274	17.8	17.8	84.3
46-60	211	13.7	13.7	98.1
>60	30	1.9	1.9	100.0
<b>Education</b>				
High School Graduate or Less	287	18.7	18.7	21.4
Some College/Assoc. Degree	414	26.9	26.9	45.5
College Graduate	713	46.3	46.3	91.9
Graduate Degree or Higher	125	8.1	8.1	100.0
Region				
Tier One Cities	520	33.8	33.8	33.8
Tier Two Cities	508	33.0	33.0	66.8
Other Cities	511	33.2	33.2	100.0
<b>Disposable Income (Monthly)</b>				
No Income	188	12.3	12.3	20.3
≤1,000 yuan	38	2.5	2.5	14.7
1,001-2,000 yuan	151	9.8	9.8	24.5
2,001-3,000 yuan	296	19.2	19.2	43.7
3,001-4,000 yuan	274	17.8	17.8	61.5
4,001-5,000 yuan	196	12.7	12.7	74.3
5,001-6,000 yuan	124	8.1	8.1	82.3
6,001-7,000 yuan	72	4.7	4.7	87.0
7,001-8,000 yuan	48	3.1	3.1	90.1
>8,000 yuan	152	9.9	9.9	100.0

# **Structure of the Questionnaire**

In order to include as many offensive ad types as possible in our survey, respondents were asked to list types of ads they thought were most offensive or most socially undesirable in phase one of the survey. Accordingly, six types of offensive ads comprise the six most frequently mentioned product/service categories from phase one: cigarettes, private clinics (for diseases like STD), health supplement (presented as having healing effects, but not based on scientific evidences), specialty drugs (for disease like hemorrhoids), female private products, and liquor. The questionnaire then listed two types of neutral adsads for soft drinks and cars, which were mentioned as inoffensive ads during the phase one of the survey. The last category of ads listed in the questionnaire was PSA. Respondents categorized it as most socially desirable. Generally speaking, PSAs were treated as an opposite ad category from offensive ads and product ads in Chinese society. Therefore, the final questionnaire included three categories with nine types of ads in total, based on respondents' perceived social desirability of ad categories generated from phase one of the survey. Then, online survey respondents were asked to rate their level of willingness to spread advertising information via WOM and level of support for advertising censorship. We adopted an attitudinal scale of advertising amended by Zeng (2010), the internal consistency coefficient  $\alpha$  value was equal to 0.83. The TPE was measured by two questions: "this type of ads makes me want to buy the products" and "this type of ads will persuade others to buy the products." The value of answers to the first question minus the value of answers to the second question was the intensity of the TPE. Positive scores indicated the TPE whereas negative scores suggested the FPE. Attitude toward advertising was measured by four statements: "Advertising is very important to me;" "Advertising has a great impact on my purchase decisions;" "In general, I like advertising;" and "In general, the benefits of advertising outweigh its harms." All answers were measured on a 5-point Likert scale (1 = strongly disagree, 5 = strongly agree).

## **Survey Quality Control**

First, sample group quality and quantity were ensured: The size of sample group of this survey was 1,060,295 online users in China. The study proceeded by receiving consent from the respondents, who were willing to provide their age ranges, income levels, and other personal attributes. Second, to reduce biases in the survey, measuring orders were arranged differently for different types of ads. Part of the survey questions used reverse scoring to avoid possible trial habitual response tendencies (Podsakoff, et al., 2003).

# **RESULTS**

Results in Table 2 summarize advertising for these nine products/services' influences on others and oneself, in terms of purchase intent. The second column from the right shows the difference between the two variables, as TPE values. *T* tests were performed to examine the TPE or FPE (see the last column for the *t* value). Based on the TPE difference scores, nine sectors of ads are listed as following: cigarettes, health supplement, private clinics, liquor, specialty drugs, female private products, drinks, cars, and the PSA. *T* tests showed there are significant TPE differences among offensive ads, neutral ads, and the PSA. Ads for all the six sectors of offensive products/services were tested to have the greatest TPEs and were ranked in the top six. Therefore, **H1a** was supported. The results also showed that respondents believed that other people were more easily affected by neutral ads than they would themselves. Therefore, **H1b** was supported. However, the TPE difference score was negative for the PSA, which means PSA created a reversed TPE, namely FPE. This result was statistically significant. Therefore, **H1c** was also confirmed.

TABLE 2
TEST OF THE TPE/FPE

Dundwat Catagonias	Other Deeple	Calvas	Paired Samples t Te	sts
Product Categories	Other People	Selves	Third-Person Effect	t Values
Cigarettes	2.83(1.00)	2.31(1.06)	.52	21.12
Health Supplement	3.13(.86)	2.72(.98)	.41	18.43
Private Clinics	2.78(.92)	2.40(.96)	.38	17.69
Liquor	3.19(.86)	2.91(.99)	.28	13.72
Specialty Drugs	2.99(.88)	2.75(.96)	.24	12.65
Female Private Products	3.11(.88)	2.96(1.00)	.15	8.33

Drinks	3.44(.78)	3.30(.94)	.14	7.72
Cars	3.34(.81)	3.22(.89)	.12	7.55
PSA	3.90(.86)	3.98(.85)	08	-7.06

Note: Standard deviations were in brackets; for all t tests, df = 1,538, p < .001.

Chinese respondents' attitudes toward the three categories of advertising under study were shown in Table 3. All scores for offensive ads are below 3, the median score on a 5-point Likert scale. Among all the six offensive ads, cigarette ads were least acceptable to respondents with a score of 2.19 while female private products were most acceptable with a score of 2.94. The overall results reflect respondents' low acceptance of these six types of offensive ads (M = 2.59). In other words, respondents generally hold negative attitudes toward these six types of socially undesirable offensive ads. However, respondents revealed a high level of acceptance of the PSA (M = 4.10). Attitude toward neutral ads (M = 3.30) was in between, meaning respondents hold neutral attitudes toward neutral product ads.

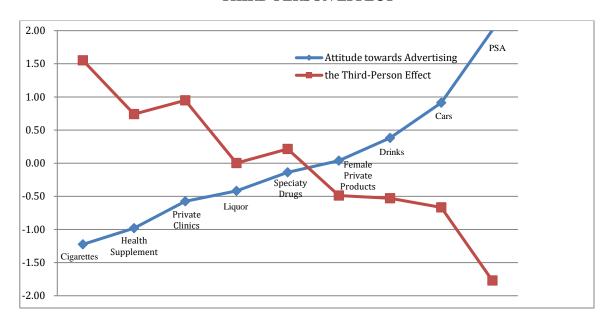
TABLE 3 CORRELATIONS BETWEEN ATTITUDE TOWARD ADVERTISING AND TPE

Product Categories	Attitudes toward Advertising Third-Person Effects		Correlation Coefficients
Cigarettes	2.19	2.19 .52	
Health Supplement	2.58	.41	35**
Private Clinics	2.34	.38	29**
Liquor	2.83	.28	33**
Specialty Drugs	2.67	.24	31**
Female Private Products	2.94	.15	21**
<b>Controversial Product Average</b>	2.59	.33	40**
Drinks	3.14	.14	30**
Cars	3.45	.12	11**
Neutral Product Average	3.30	.13	26**
PSA	4.10	08	06*

Note: \*p < .05; \*\*p < .001

Correlations between the TPE of advertising for the nine types of products and respondents' attitudes toward these ads were also listed in Table 3. These two variables were found negatively correlated. Correlations between these two variables indicated that attitude toward advertising was negatively related to the TPE, as illustrated in Figure 1. Therefore, **H2** was supported. To further explore the relationship between attitude toward advertising and the TPE/FPE, we calculated the correlations of online survey respondents' attitudes toward each ad and the TPE (see Table 3). It turned out that each correlation was negative. However, the absolute value for all the correlations was less than .40, even though they were statistically significant. Among all types of ads examined, offensive ads had the strongest absolute values of correlation (M = .40); neutral ads had a weaker absolute value (M = .26); and PSAs had the weakest absolute value (M = .06). Therefore, **H2** was statistically supported at the individual level.

FIGURE 1
TREND OF THE CORRELATION OF ATTITUDE TOWARD ADVERTISING AND THE THIRD-PERSON EFFECT



A multilevel linear regression analysis was conducted to explore the relationship between the TPE/FPE and participants' subsequent behaviors (see Table 4, Table 5 and Table 6). The control variables were sex, age, income level, education level, and hours of Internet use. After controlling for demographic variables, the TPE was a significant predictor to participants' subsequent behavioral intent—spreading ad messages via WOM and supporting for advertising censorship, which explained 16.2% and 7.0% variances in audiences' behavioral intent respectively, higher than the demographic variables (3.8% and 6.2%). For neutral ads, after controlling for demographic variables, the TPE was still a significant predictor to audiences' subsequent behavioral intent (WOM and support for censorship), which explained 7.9% (higher than demographic variable 7.1%) and .7% variances (lower than demographic variable 4.8%). The findings indicate that the TPE was a strong predictor to participants' behavioral intent for offensive ads, but weaker for neutral ads. For the socially desirable PSA, after controlling for demographic variables, participants' subsequent behaviors (WOM and support for PSAs) can hardly be predicted by the FPE (variances explained were 0% and .4%) (see Table 6). Therefore, neither H3c nor H3d was supported.

TABLE 4
REGRESSION OF SUBSEQUENT BEHAVIOR AND THE TPE OF OFFENSIVE ADS

DV	WOM	Support to Advertising Censorship		
IV	β	$\Delta R^2$	β	$\Delta R^2$
Step 1: Control Variables		.038**		.062**
Step 2: Third-Person Effect	410**	.162**	.271**	.070**

Note: \*p < .05; \*\*p < .001

TABLE 5
REGRESSION OF SUBSEQUENT BEHAVIOR AND THE TPE FOR NEUTRAL ADS

DV	<u>WOM</u>	Support to Advertising Censorship		
IV	β	$\Delta R^2$	β	$\Delta R^2$
Step 1: Control Variables		.071**		.048**
Step 2: Third-Person Effect	287**	.079**	.084**	.007**

Note: \*p < .05; \*\*p < .001

TABLE 6
REGRESSION OF SUBSEQUENT BEHAVIOR AND THE FPE FOR PSAS

DV	WOM		Intention to Spread PSAs	<u> </u>
IV	β	$\Delta R^2$	β	$\Delta R^2$
Step 1: Control Variables		.042**		.051**
Step 2: First-Person Effect	.015	.000	.063*	.004*

Note: \*p < .05; \*\*p < .001

### DISCUSSION AND CONCLUSION

This study was designed to explore the TPE hypothesis in offensive advertising in a Chinese cultural context. It surveyed 1,539 Chinese Internet users about the TPE/FPE in six types of offensive ads (cigarettes, private clinics, health supplement, specialty drugs, liquor, and female private products), two types of neutral product ads (soft drinks and cars), and the PSA category. The study also examined the relationship between the TPE/FPE and levels of acceptance toward advertising, and the predictive effect of the TPE on WOM and consumers' supportive attitudes toward media censorship. Our study shed some new light on the TPE and offensive advertising research.

First, for Chinese Internet users, the TPE widely exists in the six types of offensive ads and the two types of neutral product ads. According to the effect size, the ad sectors are ranked as: cigarettes, health supplement, private clinics, liquor, specialty drugs, female private products, drinks, and cars. The TPE is generally stronger in offensive ads than in neutral ads while the FPE tends to occur for PSAs among Chinese Internet users.

Meanwhile, Chinese Internet users' attitude toward offensive ads is negative although attitude toward PSAs is generally positive. A negative correlation is found between the attitude toward advertising and the TPE, indicating that the more positive users' attitude is, the weaker the TPE of the ads.

Thirdly, the TPE predicts the subsequent behaviors differently based on different advertising categories. For offensive advertising, the TPE could best predict audiences' subsequent behaviors of WOM spreading and supporting for media censorship. The predictive effect of TPE in neutral ads is less significant. For PSAs, the predictive effect of the TPE is very weak.

Finally, this study has a few major managerial implications. It is insufficient to merely evaluate an ad's possible impact through consumers' self-responses. It is important to know how they think others would be influenced by the ad (especially others who are important to them). Consumers may underestimate the influence of an ad (especially an offensive ad) on themselves, and overestimate its influence on others. Such cognitive bias may also affect consumers' subsequent behaviors such as WOM spreading and supporting for government's advertising censorship.

The current study tested the TPE of offensive ads among Chinese users and compared TPE differences among three categories of ads: offensive ads, neutral product ads and PSAs. Results showed that the TPE existed in both offensive ads and neutral product ads. Among all three ad categories, offensive ads had greater TPEs than neutral product ads. The PSA, on the other hand, created the weakest TPE, which indicated a FPE in PSAs. **H1** was supported, indicating that the intensity of TPE in offensive ads was much

higher than both neutral product ads and PSAs. All of the types of offensive ads proposed by Jensen and Collins (2008), which include cigarettes, feminine hygiene products, funeral services, gambling, political parties, racial extremist groups, and religious denominations produced a measurable and significant TPE except for ads of racial extremist groups. Through examining the TPE in ads for cigarettes, liquors, specialty drugs, female private products, etc., the current study found the TPE also rings true in ads in an Eastern cultural context. For example, the TPE was discovered in ads for health supplement and private clinics, unique in the Chinese market.

Chinese consumers tend to hold negative attitudes toward product ads (Chan & McNeal, 2003; Zhao & Shen, 1995) and are less likely to admit they are easily to be persuaded by product ads. It is not socially desirable for one to admit to be easily persuaded by ads in China (Gunther & Thorson, 1992). A significant TPE was shown in neutral product ads in our study, consistent with most prior findings based on a Western cultural context (e.g., Golan & Banning, 2008). Further, socially desirable PSAs were discovered to have the FPE, consistent with Western cultures-based previous studies (e.g., Day, 2008; Gunther & Thorson, 1992; Henriksen & Flora, 1999).

The current study probes into Chinese Internet users' attitudes toward offensive ads from a large sample. According to Chinese consumers' acceptance levels of all categories of ads, PSAs ranked at the highest level of acceptance, followed by neutral product ads, with offensive ads ranked at the lowest. Consistent with previous studies using Western samples, our study documented that offensive ads were the least socially desirable, as opposed to PSAs, in China. It was also found that socially desirability of the ad was negatively related to TPE. On the contrary, the more acceptable an ad (like PSAs in Chinese society) is to the society, the weaker its TPE, which even leads to the FPE. In prior research, ads were only divided as PSAs and product ads (Day, 2008; Gunther & Thorson, 1992; Henriksen & Flora, 1999) or offensive ads and neutral product ads (Banning, 2001); the TPEs were merely tested in either of these two combinations. Our study examined the relationship between the degrees of social desirability of a given ad category and its TPE. It provides a better understanding of the negative correlation between social desirability of an ad and its TPE.

In addition, our study examined the predictive effect of TPE on participants' behavioral intent in terms of spreading offensive and/or neutral product ads via WOM. Results showed that the TPE in offensive ads could better predict consumers' WOM intent than in neutral ads. The correlation between the TPE and audiences' subsequent behaviors is documented in many prior studies, where the TPE was considered a strong variable to predict people's supportive attitude toward governments' media restrictions (Gunther, 1995; Lee & Tamborini, 2005; Sun, Shen, & Pan, 2008; Youn et al., 2000).

Our findings make multiple contributions. First, the current study showed that TPE predicted WOM behavior when users saw the offensive ads or neutral ads. It adds to the existent literature in an Eastern cultural context on the behavioral outcomes of TPE. Second, it was found that TPE was stronger when users saw offensive ads than when they were exposed to neutral product ads. It is possible that social desirability of information can be used to test the power of the TPE and treated as an independent variable to predict audiences' subsequent behaviors. Future studies may explore the role of social desirability of information in TPE/FPE's influences' on consumers' behaviors. Finally, the relationship between positive media messages and the FPE as well as subsequent behaviors was hardly examined in prior studies. Our study enriched the research on subsequent behaviors by exploring the predictive effect of the FPE in PSAs. Our results suggested no necessary association between the FPE and WOM spreading or support for PSAs. Therefore, Chinese consumers may not necessarily mention a socially desirable PSA message to others or support the PSA, even when they believe it has more impact on themselves. Future studies could further examine the complicated relationships between the FPE and consumers' subsequent behaviors.

## **Implications**

First, in the Chinese context, ads for cigarettes, private clinics, health supplement, specialty drugs, liquor, and female private products are considered offensive. Advertisers and advertising agencies, especially those from overseas, need to be aware of this fact in order to change and adapt their ads to be more acceptable to Chinese consumers.

Meanwhile, advertising agencies should not only measure an ad's direct influence on consumers, but also the indirect influence—the influence consumers expect others would get, because consumers' expectations for these two kinds of influences are different. It is unnecessary to be pessimistic about neutral product ads, even offensive ads, since Chinese consumers have optimistic bias that although they underestimate an ad's influence on themselves, they overestimate this influence on others. However, we should be less optimistic about the effects of PSAs since consumers tend to overestimate PSAs' influence on themselves than on others, as discovered in our study.

Third, more research attention on the TPE is called for, especially that in offensive ads. The TPE could influence consumers' subsequent behaviors, such as spreading advertising messages via WOM and supporting government's censorship to advertising content.

Finally, the findings of our study could help explain some perplexing advertising paradoxes in China. For instance, recent commercials for *Heng Yuan Xiang* (a Shanghai-based textile company) and *Nao Bai Jin* (a melatonin product) have been widely criticized for being too vulgar. However, both brands have witnessed a huge increase in sales. This phenomenon could possibly be explained by the TPE: First, ads for these two brands were repeated constantly on mainstream media in China, which had created strong awareness among audiences. At the same time, these brands were positioned as gifts. As our study suggested, gift buyers (self) in China may overestimate those ads' influences on gift recipients (others), which could positively affect gift buyers' purchase decisions.

#### **Limitations and Future Research**

Online surveys could not guarantee respondents' recalls were accurate. Our survey designed to identify the TPE through Chinese online users' recalls for different ad categories is no exception. Also, the quality of these ads could influence people's attitudes and perceptions. To further explore the relationships between the social desirability of those ads and the TPE, an experimental study could be conducted by setting the levels of acceptance toward advertising to low, moderate, and high, and then compare the TPE differences.

In order to better understand TPE in offensive ads across different cultural contexts, future studies should measure diverse cultural values and examine their relationships with outcomes of offensive ads. In addition, research in offensive ads and the TPE may focus on specific products and brands to generate more accurate results. Having specific products or brands as study stimuli can also help distinguish offensiveness caused by products and/or by executions. Meanwhile, an experimental study may test more accurate correlations between offensive ads and subsequent behaviors among different cultures. Finally, since the relationship between subsequent behaviors and the TPE/FPE is complicated, there might be multiple factors affecting this relationship. In our study, the TPE of offensive ads generated the strongest predictive effect, which indicates this relationship might be influenced by the levels of acceptance toward ads and levels of their perceived offensiveness to others. This assertion warrants more rigorous experimental studies.

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