

Effects of Ad Placement and Type on Consumer Responses to Podcast Ads

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Abstract

The purpose of this study was to understand the effects of podcast ad placement and podcast ad type on consumers' perceived intrusiveness, perceived irritation, attitude toward the ad, and ad avoidance. Our 2×2 (traditional ad vs. sponsorship by beginning vs. middle) experimental study found that sponsorships generated better consumer responses than did traditional ads and that podcast ads placed at the beginning of audio podcasts yielded better consumer responses than those placed in the middle. Implications for marketers and advertisers are discussed.

Introduction

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A PODCAST IS a digital recording of a radio broadcast or similar program, made available on the Internet for downloading to a personal audio player.¹ In 2005, podcast users numbered 5 million, and the number is expected to grow to 45 million users by 2010.² Podcasting has excellent potential as a medium for advertisers. Podtrac, a startup company, sells ads within over 1,300 podcasts.² Despite the increasing popularity of podcasts and their advertising potential, very little research has been conducted to study this phenomenon. It is not known how users interact with podcasts or how they feel and think about podcasts containing advertising. As with any medium, advertising within podcasts may lead to negative reactions in consumers, such as perceived intrusiveness of ads, perceived irritation, and ultimately ad avoidance. Because of the engagement of listeners in a given topic, podcasting provides advertisers with opportunities for targeted communication and the ability to reach people who are passionate about and highly involved with a topic. This study examined how the placement and format of advertising in podcasts contribute to an audience's perceptions of intrusiveness, irritation, attitude toward the ad, and ad avoidance. We hope to provide advertisers with strategies for decreasing ad avoidance and placing effective ad messages in podcasts.

To date, no in-depth academic research has been conducted specifically on podcasting. It is unknown exactly how users interact with or use podcasts, but it is believed that podcasts may deepen the relationship between a brand and consumers.³ Podcasting by its very nature is a pull medium, meaning that the listener actively and consciously decide to

receive and listen to the podcast, which indicates a high level of involvement with the podcast. Studies have found that high level of involvement in a program is positively related to commercial attention and recall.⁴ On the other hand, advertising on a podcast can easily become intrusive, because the user downloads the file to listen specifically to its contents, not to an advertising message. This can have positive effects, like an increase in ad recall.⁵ However, a negative effect, such as ad avoidance, is also likely to occur.⁶ Accordingly, an important theoretical issue for podcast ads is how to minimize the perceived negative aspect of intrusiveness by consumers.

Irritation and ad avoidance

The number one reason that consumers dislike advertising is the irritation or annoyance it creates.⁷ Thus, it is important to understand what causes irritation and how it can be minimized. Irritation is an emotional response that is an acute, transitory, and specific affective experience describing the feeling of annoyance, impatience, or even anger as a result of some experience, including being confronted with advertising.⁸ Factors influencing irritation include content and frequency at which consumers are exposed,⁹ placement of ads, and poorly design ads.⁷ The most frequent consequence of irritation is avoidance of the source (the ad) if that is possible.¹⁰ Edwards et al.¹¹ found that intrusiveness is a precursor to irritation, which is a precursor to avoidance of pop-up ads. Elliot and Speck¹² found that people also avoid advertising messages because of perceived ad clutter. Cho and Cheon¹³ also found that Internet ads are avoided because of goal impediment and prior negative experience.

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Placement of advertising

Ad placement may play a significant role in how consumers perceive ads on podcasts. There are three possibilities for placement in any given podcast: at the beginning before the program begins, in the middle during the content, or at the end of the podcast. Watt,⁴ looked at advertising in the middle of programming and found a positive relationship between consumer program involvement and relevance to advertising attention and therefore to attitude toward the ad. Another study found that due to momentum created by the program, consumers are more attentive to advertising placed in the middle of a program.¹⁴ Some researchers have argued that advertisements that interrupt programming will perform worse than those placed at the beginning of programs, because the interruption will annoy consumers. On the other hand, Pieters and Bijmolt¹⁵ found more favorable effects for ads placed at the beginning of an advertising block because they do not interrupt consumers' activity. An advertising message at the beginning of a block might also show more positive effects because, as the programming progresses, consumers are less focused on peripheral stimuli or ads.¹⁵ The results of these previous studies are inconsistent.

It is possible that if an advertising message (sponsorship or traditional advertisement) is present in a podcast at the beginning of the program instead of the middle where it interrupts content, it might minimize perceived intrusiveness and irritation on the part of consumers. Similarly, such placement may decrease ad avoidance and improve attitudes toward the ad. Therefore, we consider the following hypotheses:

H1: Advertising at the beginning of podcasts will generate less intrusiveness (H1a), less irritation (H1b), more favorable attitudes toward an ad (H1c), and less ad avoidance (H1d) than advertising in the middle of podcasts.

Advertising type

The two most commonly used types of advertising are sponsorships and traditional ads (15- or 30-second messages). In contrast to advertising, not much is known about consumer perceptions of sponsorship except that attitudes toward sponsorship are very favorable compared to attitudes toward traditional advertising.¹⁶⁻¹⁷ These more favorable attitudes toward sponsorship may be explained by psychological reactance theory,¹⁸ which proposes that consumers feel psychological reactance and react negatively when they are exposed to directly persuasive messages. Messages in traditional advertising tend to contain direct selling messages, while sponsorships indirectly deliver sponsor information. These insights may be applied when designing advertising for podcasts and thus may minimize the intrusiveness, irritation, and ad avoidance observed for traditional advertising.¹⁹

H2: Sponsorship will generate less intrusiveness (H2a), less irritation (H2b), more favorable attitudes toward an ad (H2c), and less ad avoidance (H2d) than traditional advertising.

This study also strives to detect possible interaction effects of ad placement and ad type on consumer responses to podcast ads.

RQ1: Is there any interaction effect of the two independent variables (ad placement and type) on consumer advertising responses (intrusiveness, irritation, ad avoidance, and attitude toward the ad)?

Methodology

We tested our hypotheses using a 2×2 (traditional ad vs. sponsorship by beginning vs. middle) between-groups experimental design. Our sample consisted of 129 volunteers recruited from an undergraduate course at a university in the southeastern United States. College students are considered ideal representatives of the typical age group of podcast users.²⁰ Participants were randomly assigned to one of four experimental groups: traditional-beginning, traditional-middle, sponsorship-beginning, and sponsorship-middle. Participants were asked to download or listen to one roughly 3-minute-long podcast in the assigned Web sites hosting podcasts designed for each group. After listening to a podcast, each participant was asked to fill out an online questionnaire designed to measure the dependent variables. Intrusiveness was measured using the seven 7-point Likert items derived from Li et al.²¹: distracting, disturbing, forced, interfering, intrusive, invasive, and obtrusive. Irritation was measured using the five 7-point Likert items derived from Wells et al.²²: irritating, phony, ridiculous, stupid, and terrible. Attitude toward the ad was measured by seven 7-point semantic differential items from Muehling and Laczniak²³: not attractive/attractive, bad/good, unappealing/appealing, unpleasant/pleasant, dull/dynamic, depressing/repressing, and not enjoyable/enjoyable. Ad avoidance was measured through self-reporting using measures modified from Speck and Elliott⁹: Did participants tune out the ad on the podcast, skip past the ad on the podcast, or switch off the podcast during the ad (1, *strongly disagree*, 7, *strongly agree*).

Three pretests were conducted to select experimental stimuli. The content of the actual podcast for this experiment was chosen on the basis of students' ($n=21$) interest according to a pretest of eight podcasts: *Comedy Central Stand-Up*, *Dane Cook's Tourgasm*, *The Economist*, *Learn Spanish with Coffee Break Spanish*, *ESPN: PTI*, *The Onion Radio News*, *U.S. Senator Barack Obama Podcast*, and *FOXCAST: Family Guy*. Among these, *Dane Cook's Tourgasm* received the highest interest level, and the most recent episode of the podcast was chosen for use in the experiment. The second pretest ($n=24$) identified five top brands from different fields familiar to college students (*Ford*, *MTV*, *Puma*, *Red Bull*, and *Sony*). The brand that fell in the middle of the familiarity score was chosen for the experiment: the Puma shoe and sportswear company. Two different audio files were created using the audio-editing program GarageBand from Apple. Both messages were created to have a similar length. The traditional ad included a call to action, while the sponsorship message mentioned the sponsor without a call to action. In addition, in contrast to the traditional ad, the sponsorship message did not include background music. The manipulation check was successful. Participants were able to clearly identify traditional advertising as traditional advertising ($M=8.69$) over sponsorship ($M=3.69$) ($t=6.82$, $df=28$, $p<0.05$). Sponsorship was also clearly recognized as sponsorship ($M=7.76$) rather than traditional advertising ($M=4.90$) ($t=-3.45$, $df=28$, $p<0.5$).

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TABLE 1. EFFECTS OF AD PLACEMENT

	Placement	n	Mean	SD	t	df
Intrusiveness	Beginning	60	3.07	1.13	-7.79*	119
	Middle	61	4.94	1.48		
Irritation	Beginning	60	3.25	1.14	-2.07*	119
	Middle	61	3.71	1.31		
Attitude toward the ad	Beginning	60	3.77	0.91	1.38	119
	Middle	61	3.49	1.27		
Ad avoidance	Beginning	60	2.67	1.11	0.97	119
	Middle	61	2.46	1.18		

*p < 0.05.

TABLE 2. EFFECTS OF AD TYPE

	Type	n	Mean	SD	t	df
Intrusiveness	Sponsorship	63	3.68	1.55	-2.46*	119
	Traditional ad	58	4.38	1.62		
Irritation	Sponsorship	63	3.36	1.25	-1.17	119
	Traditional ad	58	3.62	1.24		
Attitude toward the ad	Sponsorship	63	3.74	1.18	1.11	119
	Traditional ad	58	3.51	1.02		
Ad avoidance	Sponsorship	63	2.47	1.18	-0.94	119
	Traditional ad	58	2.67	1.10		

*p < 0.05.

Results

Of the 129 students who participated in the experiment, 121 qualified for the final sample by correctly answering the control questions asking the content of the podcast, which screened out the participants who responded to the questionnaire without downloading the podcast or without listening to the podcast. The final test sample (n = 121) consisted of 32% males (n = 39) and 68% females (n = 82). The median age of participants was 20, with a range of 18 to 38. Among participants, 34 were current podcast users (28%) with usage time ranging from 0.1 to 15 hours per week (3.4 hr mean). All measured constructs were found to be reliable with the Cronbach alpha higher than 0.80 except for ad avoidance (0.61); however, the value of 0.60 does not restrict further data analysis.²⁴

Effects of ad placement

T1 ▶ As shown in Table 1, participants who encountered the advertisement in the middle of the podcast (M = 4.94) perceived more intrusiveness than those encountering it at the beginning (M = 3.10) (t = -7.79, df = 119, p < 0.05): H1a is supported. Participants experienced more irritation when encountering the advertisement in the middle of the podcast (M = 3.71) than at the beginning (M = 3.25) (t = -2.07, df = 119, p < 0.05): H1b is also supported. Participants who

encountered the advertisement in the beginning of the podcast (M = 3.77) had a more favorable attitude than those encountering it in the middle (M = 3.49); however, the result was not statistically significant (t = 1.38, df = 119, p = 0.09): H1c is not supported. Regarding ad avoidance, only a minimal difference was found between participants who encountered the advertisement at the beginning of the podcast (M = 2.67) and those who encountered it in the middle (M = 2.46) (t = 0.97, df = 119, p = 0.17): H1d is not supported.

Effects of ad type

As shown in Table 2, participants who encountered the traditional advertisement (M = 4.38) perceived more intrusiveness than those encountering the sponsorship (M = 3.68) (t = -2.46, df = 119, p < 0.05): H2a is supported. Participants felt slightly more irritated when encountering the traditional advertisement (M = 3.62) versus the sponsorship (M = 3.36); however, the result was not statistically significant (t = -1.17, df = 119, p = 0.12): H1b is not supported. Participants who encountered the sponsorship (M = 3.74) had a more favorable attitude than those encountering the traditional advertising (M = 3.51), although this result was not statistically significant (t = 1.11, df = 119, p = 0.13): H1c is not supported. Regarding ad avoidance, only a minimal difference between participants who encountered the sponsorship (M = 2.47) and those who encountered the traditional advertisement

TABLE 3. EFFECTS OF AD PLACEMENT AND TYPE ON PERCEIVED INTRUSIVENESS

Advertising format	Advertising placement									
	Beginning			Middle			Total			
	Mean	SD	N	Mean	SD	N	Mean	SD	N	
Sponsorship	3.00	0.22	32	4.37	0.23	31	3.69	0.16	63	
Traditional ad	3.16	0.24	28	5.53	0.23	30	4.34	0.17	58	
Total	3.01	0.16	60	4.95	0.16	61			121	
Source	SS			df			MS			F
Advertising placement	105.73			1			105.73			66.40*
Advertising format	13.02			1			13.02			8.17*
Advertising placement and advertising format	7.50			1			7.50			4.71*
Error	186.29			117			1.59			

*p < 0.05.

($M = 2.67$) was found ($t = -0.94$, $df = 119$, $p = 0.18$): H1d is not supported.

Interaction effect

T3 ► AU4 ► Two-way analysis of variance (ANOVA) tests were conducted to detect interaction effects. As Table 3 shows, a statistically significant interaction effect on perceived intrusiveness is present between advertising format and advertising placement ($F = 4.71$, $df = 1$, $p < 0.05$). This interaction effect indicates that when the ad was placed in the beginning, there was no significant difference in perceived intrusiveness between the traditional ad ($M = 3.16$) and the sponsorship ($M = 3.00$); however, when the ad was placed in the middle, the difference between the traditional ad and sponsorship was more apparent ($M = 5.53$ versus $M = 4.37$). For perceived irritation, attitude toward the ad, and ad avoidance, there was no interaction effect between ad format and ad placement ($p > 0.05$).

Discussion

This study demonstrates that participants perceived less intrusiveness and irritation from advertising placed at the beginning of a podcast than from advertising placed in the middle of a podcast. It implies that placement at the beginning was less likely to interrupt the podcasting program and thus less likely to interfere with the process of listening to the podcast. Even though the unit of analysis was different (podcast ads vs. regular ads), the results of the current study are consistent with those of Pieters and Bijmolt,¹⁵ who found more favorable effects for ads placed at the beginning of programs because they do not interrupt consumers' activity. As far as managerial implications, it is recommended that when advertising is placed on a podcast, it should be placed at the beginning to minimize perceived invasiveness by the listener.

Regarding advertising types, our results showed that participants perceived less intrusiveness from sponsorship than from traditional advertising on a podcast. This result was consistent with previous studies,¹⁶⁻¹⁷ which showed that attitudes toward sponsorship are more favorable than are attitudes toward advertising and supports the psychological reactance theory of Brehm.¹⁸ It is believed that sponsorship in general generates less psychological reactance due to the lack of a direct persuasive message and is thus seen as less intrusive and perceived more positively than traditional advertising. The managerial implication of this finding is that it is recommended to choose sponsorship over traditional advertising when deciding to advertise on a podcast.

We found an interaction effect of ad placement and ad type on perceived intrusiveness. When ads were placed at the beginning of a podcast, there was no significant difference in perceived intrusiveness between traditional ads and sponsorships. However, when ads were placed in the middle of a podcast, sponsorships resulted in noticeably less intrusiveness than traditional ads. This finding implies that traditional advertising may be placed at the beginning of podcasts without noticeable intrusiveness, while sponsorships may be placed in the middle of podcasts if advertisers would like to utilize both types of promotional tools in podcasts.

There are several limitations to this study. This study used a small number of college students, disproportionately female. Therefore, a larger, more diverse, gender-balanced sample is

recommended for future research. Even though we conducted a pretest to choose a podcast that students themselves would be likely to download, the participants were not given any options to choose among podcasts. Our podcast was therefore a push medium rather than a pull medium. It is recommended that in future research, multiple podcasts from different interest areas be provided as options to simulate more of a pull medium to participants. Even though the manipulation check for advertising types was successful, it could have been the music or the call to action that cued the types of ads and caused a defensive reaction from the participants. Therefore, future research should make the advertising format consistent between sponsorship and traditional advertising. It would also be interesting to examine how the sense of persuasive intent is differentiated between sponsorship and traditional advertising and how it relates to advertising avoidance.

Podcasts can and are consumed virtually anywhere and anytime (car, home, airplane, etc.). This is an opportunity for future research. It is recommended that future research look at the context in which consumers listen to the podcast. The podcast used in this study was relatively short (3 min) compared to many podcasts available today. The length of the podcast adds a whole new element (as does the podcast's content) that should be explored in future research. Audio podcasting is by far the most evolved and popular format of podcasting found on the Internet. However, video podcasting has been growing in popularity, and future research should compare video and audio podcasts for their advertising effects.

Disclosure Statement

No competing financial interests exist.

◀ AU5

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