

SEEKING SPOILS FROM THE MILLENNIAL FLOAT:  
THE EMERGING GENERATION'S IMPLICATIONS FOR ADVERTISING ETHICS

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by  
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The undersigned, appointed by the dean of the Graduate School, have examined the thesis or dissertation entitled

SEEKING SPOILS FROM THE MILLENNIAL FLOAT:  
THE EMERGING GENERATION'S IMPLICATIONS FOR ADVERTISING ETHICS

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ABSTRACT

Ethics are too often an afterthought in the fast-paced, multi-billion dollar industry of advertising. How will the impending emergence of millennials as the dominant commercial demographic – with their well-documented interest in altruism, social justice, and corporate social responsibility – affect the state and status of advertising ethics? This mixed methods study employs focus groups and an experiment to answer this question, exploring broad millennial perceptions about advertising ethics and how they affect millennials' attitude toward brands, perceived brand ethics, and purchase intent.

Findings indicate difficulty in divorcing advertising ethics from a more holistic sense of corporate ethics embodied by Brunk's Consumer Perceived Ethicality construct. Qualitative data hints at how this measure may be formed. Meanwhile, quantitative findings may simultaneously embolden and chasten advertisers who like to live on the edge of ethics – depending, at least, on their target audience. The results suggest that millennials of differing ethical inclinations view advertising ethics very differently. Using Forsyth's Ethics Position Questionnaire, groups of varying ethical dispositions are analyzed. What these findings mean for the future of advertising and advertising ethics remains to be seen, but change should be expected with millennials' impending rise to economic, political, and social prominence.

## Chapter One: Introduction

As generations shift and older segments leave the marketplace, younger ones emerge to take their places. In families, politics, science, art, technology, business, and education, such is the nature of humanity's temporal existence: diverse and colorful floats slowly rolling down the parade route. Spectators, seeking some of the candy and prizes that the float riders are happily throwing to the crowd, put on their most appealing smiles and wave enthusiastically. The less scrupulous may elbow their way to the front or cover their unkind visages with festive masks, hoping for a larger share of these spoils. This metaphorical scene is a fitting representation of commerce, accounting for the consumer-producer relationship, advertising and its related ethics, and generational exits and emergences.

Remaining in this scene for a while longer, one may imagine the G.I. (those born from 1901–24) and Silent (1925–42) generation floats beginning to recede from sight, while those of the Boomers (1943–60) and Gen Xers (1961–81) travel along front-and-center (Elam, Stratton, & Gibson, 2007). The spectators (businesses) are currently focused on attracting the attention of the nearest float riders with the largest supply of candy and prizes, but following closely is the millennial float. Already one may notice their thumping electronic music and colorful flashing lights, and this may prompt the spectators to begin wondering how best to catch the interest of this new group's members, with their brimming bags of candy.

In terms of generational hierarchy, millennials – generally considered to be those born from 1982 to 2000 – are neither the most numerous nor do they possess the most

spending power (W. Strauss & Howe, 2000). These students and entry-level workers of today make up the largest and most influential consumer segment of tomorrow at more than 76 million strong (Taylor & Keeter, 2010), however, so companies are eager to better understand them (Nowak, Thach, & Olsen, 2006). Some report the demographic as made up of coddled, self-absorbed individuals with alarmingly short attention spans and narcissistic tendencies, while others describe them as idealistic, tech-savvy, resourceful team players who are especially mindful of social causes (Safer, 2007). Strauss and Howe (2000) argue that millennials could be the next “powerhouse generation, full of technology managers, community shapers, institution builders, and world leaders, perhaps destined to dominate the twenty-first century like the fading and ennobled G.I. Generation dominated the twentieth” (p. 5). Such lofty expectations confirm the need for a more comprehensive evaluation by businesses of millennials’ ethical predilections.

A key area of millennial research that is largely unexplored – and one with significant economic, cultural, and environmental implications – is that of advertising ethics. This may be because most advertising is concerned with reaching the largest audience with the most disposable income possible, and millennials are simply not that demographic – yet. Still, of the positive descriptors of the millennial generation, there are general traits that closely relate to ethics: millennials’ predisposition toward altruism and their eagerness to support corporate social responsibility (generally defined as a commitment to social outreach involving three stakeholders: society, the company, and its employees) (Mintel, 2014). With these inclinations, it follows that millennials would have strong opinions about ethics in advertising as well.

However, much of the research concerning advertising ethics has been conducted focusing on previous generations – before any millennials were even born. Now that millennials are at the cusp of entering the workforce en masse and realizing their potential as consumers in the marketplace, it becomes increasingly important to learn how their emergence may affect the ethics of the multi-billion-dollar-a-year advertising industry. What changes will they demand, and how much they will allow the industry to “get away with”?

The goal of this study was to explore millennials’ perceptions of ethics in advertising and how perceptions of advertising ethics impacts their decisions about the products they buy and the brands they support. In accordance with this goal, a literature review was conducted to locate gaps in the research, then mixed methods research was conducted. This research sought to examine the meaning and importance of advertising ethics to millennials, and the relationships between level of ethics in advertising and five dependent variables (brand attitude, brand ethics, ad attitude, ad ethics, and purchase intent), while accounting for respondents’ existing ethical dispositions (idealism, relativism). This study employed qualitative focus groups and a quantitative experiment (within-/between-subjects repeated measures ANOVA design). Results were recorded and analyzed regarding their theoretical and practical implications, and significant results were found across both qualitative and quantitative datasets. As expected with a mixed methods study, each method was able to strengthen, refine, or clarify the findings of the other. Finally, limitations and directions for future research were developed to continue building the knowledge base and improving the state of advertising for businesses and consumers alike.

## Chapter Two: Literature Review

To thoroughly understand this topic and identify deficiencies in the existing literature, many areas must be examined. This first of these is ethics, starting with the most popular normative ethical philosophies and narrowing to observe these frameworks' applications in advertising. This includes locating models that enable the researcher to measure consumers' stances on ethical matters and standardized tests to evaluate advertising messages for their ethical integrity. Following, millennials as a demographic are scrutinized to better understand their inclinations and characteristics. This part of the review seeks specifically to identify millennial traits that could have applications for advertising ethics. Finally, based on the body of examined studies and theory, research questions are proposed.

### **Normative Ethical Philosophies**

Ethics is an area of such obvious and immense importance to communal living that philosophers from cultures all over the world since antiquity have rigorously theorized on the topic. Its importance has trickled down to everyday life, where parents pass on to their children such simple yet powerful maxims as “be good” and “play nice.” Ideas on *how to be a good person* have occupied the interests of such notable philosophers as Confucius, Aristotle, Jeremy Bentham, Immanuel Kant, John Stewart Mill, John Rawls, and many others. This is unsurprising, considering the broad implications for personal social interaction in essentially any field one might imagine – business, politics, economics, education, and science. Irrespective of specific framework or philosopher, these basic moral considerations, according to Meyers (2010), include

- The inherent moral force present in key principles such as “respect for persons,”
- The obligation to benefit others,
- The need to develop a virtuous character,
- The special duties attached to personal and professional relationships,
- The importance of treating others justly (p. 5).

Media practitioners – journalists, public relations professionals, advertising specialists – are subject to these considerations the same as any other. Before delving into media and advertising ethics, however, taking a wider view is beneficial because of how heavily modern, practical ethical theory relies upon the foundations laid by earlier philosophers.

**Virtue Ethics.** Of the three major normative ethical theories, virtue ethics is one of the earliest, though it has lost followers with the emergence of later ethical philosophies. Popularized independently in ancient times by Confucius in China and Plato and Aristotle in Greece, virtue ethics states that virtuous character is the key to a moral life (Yu, 1998). To live ethically, one must simply aspire to behave in the way an ethical person would behave (Trianosky, 1990). Opponents attack this as circular logic, but proponents remind that both Aristotle and Confucius argue that this ability might be instilled through education and exercise. To this end, Aristotle suggested practice of virtue through his “Golden Mean,” or gravitating in one’s life toward the middle-ground between emotional excess and lack (Hauser, 1999). Hauser explained that seeking moderation in such a way hones one’s sense of prudence (a key virtue for Aristotle), which grants one the practical wisdom to cultivate virtuous character. Yu (1998) explains the ultimate goal of this pursuit of virtuous character as a state of “well-being” Aristotle described as *eudaimonia*. Translations perhaps fail to grasp the word’s full, original intent

– which does not equate with “happiness” as that term is commonly understood – so others define it as “human flourishing” (Haybron, 2008) or as the realization of one’s full potential (Waterman, 1993). Despite the uncertain terms, with sufficiently developed practical wisdom and deliberate ethical decision-making, virtue ethics adherents should be in constant pursuit of *eudaimonia*.

One issue with virtue ethics is in practicality – who is to say which role model is ethical, and why? Other ethical philosophies suggest hierarchical priorities for decision-making, but virtue ethics leaves that determination to hypothetical observation of a subjective figure in an artificial situation (Quinn, 2007). The WWJD (what would Jesus do) saying is a common modern-day representation of virtue ethics in practice.

**Teleology and Utilitarianism.** While virtue ethics relies on a person’s innate moral compass to determine ethical behavior, there are other philosophies that focus on external factors. MacDonald and Beck-Dudley (1994) explain teleology, also known as “consequentialism,” as focusing on the results of the action rather than the means used to achieve them. One may imagine a reporter who gains the trust of a source through deception to bring to light a corrupt politician’s crimes. Although the reporter engages in something generally accepted in modern society as a negative behavior (lying), a teleologist would regard such a situation as ethical because the ultimate outcome was positive. Jeremy Bentham’s utilitarianism is perhaps the most common modern adaptation of teleological ethics, and argues that the most ethical decision is the one that results in the greatest “aggregate pleasure” for the greatest number (Quinn, 2007, p. 175). John Stuart Mill, Bentham’s prodigy, refined the philosophy as maximizing the good but also minimizing the harm for the greatest number (Häyry, 1994).

Utilitarianism has been criticized for its proclivity to marginalize minorities, disregard of justice, and the difficulty of both predicting outcomes and measuring utility (MacDonald & Beck-Dudley, 1994). Later philosophers' attempts to "fix" these deficiencies while maintaining the spirit of the concept have resulted in fragmentation of the philosophy into multitudinous sub-types of utilitarianism: act, rule, ideal, psychological, theological, radical, and negative, among others (Häyry, 1994). Despite the many options available to ethical philosophers, with their varying aesthetic differences, utilitarianism's core focus on consequences has prompted the rise of other competing theories.

**Deontology.** One such competing theory is deontology, first proposed by Immanuel Kant in the late 18<sup>th</sup> century (MacDonald & Beck-Dudley, 1994). In contrast to teleology, which focuses on ends, deontology focuses on the *means* to those ends – in other words, *duty*. Kant proposes that good means lead to good ends, and that unerring obedience to certain immutable and universal ethical principles leads to a moral life. In the previous example of the muckraking journalist, deontology would find the journalist unethical, despite any good that came from the resulting story. This is because the rules of Kant's deontology are unyielding – under no circumstances may an ethical person lie or otherwise deceive, because truth-telling is one of its universal ethical principles (Quinn, 2007). Later philosophers would propose relaxing some of this rigidity and enacting some ranking in the various principles to make the theory more practical. W. D. Ross suggests a "hierarchy of duties," with cardinal *prima facie* duties and conditional secondary ones to resolve conflicts among two or more of these overriding ethical principles (McNaughton & Rawling, 1998).

Other theories have been put forth to address some of deontology's shortcomings. Rawls (1971) emphasizes justice and equality in a hypothetical exercise meant to stimulate ethical reflection: the "veil of ignorance." He proposes 1) a group of self-interested individuals, 2) unaware of their own assets or deficiencies, who are 3) charged with creating laws to govern a population of which they will be part (Rawls, 1971). Thus deprived of their ability to tilt the legislative landscape in their favor, these individuals would "choose principles the consequences of which they are prepared to live with whatever generation they turn out to belong to" (Rawls, 1971, p. 137). In being forced to consider the predicament of the most vulnerable as potentially their own, the group's proposed system of governance would theoretically ensure every person an equal chance to be successful.

**Integrative Social Contract Theory.** Because advertising ethics are inextricably linked with commerce, a theory that relates to both of these areas is fitting to include. A particularly useful theory in this regard is Integrative Social Contract Theory (ISCT), a modern iteration of a centuries-old political theory, Social Contract Theory (SCT). While SCT focuses on general governance of a population – that protection of rights from a higher power (e.g., a government) requires relinquishing certain other rights – ISCT has an economic bent (Dunfee, Smith, & Ross Jr., 1999). Dunfee and colleagues explain how SCT applies to business with ISCT: "rational humans (seek) to design a binding, though unwritten, agreement that establishes the parameters for ethics in economic relationships. To justify consent on the part of the contractors, they limit themselves to parsimonious assumptions and a minimalist global social contract" (p. 18). In essence, to take advantage of certain benefits that these companies can supply (e.g., goods, services),

consumers are willing to play by their rules (e.g., pricing, hours of operation, customer service policies). An example of this theory in practice can be found in Maignan and Ferrell (2004), which positions ISCT as a component of corporate social responsibility.

### **Advertising Ethics**

Advertising ethics, appearing rarely in academic literature in the early 1900s, took the long road from relative obscurity to mainstream consumer, business, and academic concern over the past several decades (Hyman, Tansey, & Clark, 1994). Ethically inclined business leaders, recognizing the hidden costs associated with deceptive advertising and dishonest business practices, heeded demands from the public for moral forthrightness and abandoned questionable practices such as puffery and the targeting of vulnerable audiences. The cause was reinforced by the efforts of mid-20<sup>th</sup> century advertising industry legends, David Ogilvy and Leo Burnett. Ogilvy famously railed against puffery (Ogilvy & Atherton, 1963), calling for his contemporaries to abandon the practice in order to “increase their sales, but ... also place themselves on the side of the angels” (p. 151). Burnett broadened the scope when he argued, “regardless of the moral issue, dishonesty in advertising has proved very unprofitable” (as cited in Othmer, 2010, p. 182). These sentiments from industry luminaries suggested a link between commercial sustainability and ethical behavior that had not been articulated at such a level before – a notable shift in advertising.

This emphasis on advertising message, while important, was incomplete. Later researchers argued advertising ethics to consist of both organizational *and* message components (Drumwright & Murphy, 2009). The authors argued that advertising ethics not only included the ad that was produced and its chosen method of persuasion, but the

agency's motives in producing it, the choice of target audience, the methods by which the client was obtained, even the nature of the product or service being offered. It is this combination of advertising-related aspects of business with those pertaining to advertising content – process and message – that establish the comprehensive notion of “advertising ethics” used here. This distinction is important because the proposed research asks questions of its participants related to the ethics of the advertisement itself and the moral integrity of the advertiser.

### **Discussing, Evaluating, and Measuring Advertising Ethics**

In order to gauge the importance of ethics to millennial consumers, the Theory of Consumption Values (Sheth, Newman, & Gross, 1991) may be used. It seeks to explain consumer behavior using three propositions: “1. Consumer choice is a function of multiple consumption values. 2. The consumption values make differential contributions in any given choice situation. 3. The consumption values are independent” (Sheth et al., 1991, p. 160). The multiple values mentioned above are: functional, social, emotional, epistemic and conditional, but it is the social value that helps inform the importance in ethics that may be particularly useful in this study. The theory is useful in that it “may be applied to any consumer choice of interest” (p. 168), to help explain why a consumer chooses one product over another.

The Ethics Position Questionnaire (EPQ) is a model that may be used in the quantitative component of this research to support Sheth et al.'s Theory of Consumption Values. It involves posing questions that seek to gauge a participant's ethical disposition along two axes: 1) pragmatism vs. idealism and 2) relativism vs. universalism (Forsyth, 1980). The first axis breaks down in terms of teleology vs. deontology (the pragmatist

believes lying can be used to bring about a positive result, while the idealist believes that lying is always wrong no matter the outcome). The second axis relates to whether one believes that different people (and times and places) require their own specific moral codes, or whether a single moral code can be sufficient for all people.

In training the EPQ upon ethical business ideologies, Davis et al. (2001) discovered there were actually three dimensions contained within the questions instead of the two originally suggested. The first two major dimensions were still Idealism and Relativism, but incongruities in the statistical reliability analyses indicated the presence of a third related to a person's perceptions of – and exceptions for – lying. The researchers termed this third dimension, Veracity. One other notable aspect of this exhaustive study was the team's suggestion to eliminate certain items from the EPQ for reasons of congruence to the new three dimension model. This new scale would be made up of the original questions 1–6 to measure Idealism, questions 12–18 for Relativism, and questions 19–20 for Veracity. It is this shorter, more refined scale – endorsed by the developer of the original EPQ Donnell Forsyth himself – that was selected for use in this research.

When targeting advertising, the EPQ may be used to ask consumers what they *really* think about the industry's more controversial promotional tactics. Treise, Weigold, Conna, and Garrison (1994) asked nearly 300 consumers for their thoughts on questionable advertising practices (e.g., targeting vulnerable audiences, use of fear and sex appeals, and providing incomplete information) using the EPQ. They found that consumers generally supported individual mediation of advertising content over governmental involvement, and that targeting of vulnerable audiences was in most cases

unethical. There was, however, no consensus among respondents on the use of fear and sex appeals. Their findings also “supported the utility of the EPQ as a predictor of consumer responses to ethical controversies” (Treise et al., 1994, p. 67), which bolsters the case for its use in this study. With all of this previous research in mind, the EPQ should prove valuable in this research in gathering evidence of the evaluations people typically (but often tacitly) make when considering whether to purchase a product or otherwise support a product, brand, or company – *and* by providing a means to control for a person’s natural ethical inclinations in analysis.

Another model, the TARES test, was developed more recently to help practitioners and consumers evaluate the ethics of persuasive communication using a standardized rubric (Baker & Martinson, 2001). The test is notable for its practicality, with each letter representing one of its key criteria: “Truthfulness (of the message), Authenticity (of the persuader), Respect (for the persuadee), Equity (of the persuasive appeal), and Social Responsibility (for the common good)” (p. 172). It also takes into account Kant’s principle that people are means rather than ends by incorporating concern for the welfare of the audience into its criteria. This reference is no accident, as this test – with its rules-based evaluation process – has deep deontological roots. The test asks a means-based question – “how does the advertisement seek to persuade?” – rather than an ends-based (teleological) question – “what are the results of the advertisement?” The TARES test has wide-ranging applications, having been applied to evaluate messages in public relations (Lieber, 2005), politics and business (Hove, 2012), and public service announcements (Lee & Cheng, 2010), in addition to traditional print, radio, video, and interactive advertisements (Lee & Nguyen, 2013; Müller, 2011). In this research, the

TARES test fills the need for a focus group exercise to focus and calibrate participants' critical evaluations of advertising ethics.

In addition to the previous models and measures, it is advisable to consider a scale to observe how consumers perceive the ethics of corporations, even if advertising ethics comprises only one component of that more comprehensive scale. Doing so helps distinguish the ethics of advertisements from the ethics of the companies behind those advertisements. Through qualitative interviews, Brunk (2010) identifies various areas, or "domains," that help shape consumers' ethical perceptions toward companies – a measure she calls Consumer Perceived Ethicality (CPE). These domains are consumers (including interactions with advertising), employees, environment, overseas community, local community/economy, and business community. Each factor's conceptual weight is subject to change depending on the specifics of the company being examined (e.g., the CPE domains of a large international manufacturing corporation would be weighted very differently from those of a local independently owned restaurant). Brunk (2012) further refines this area of research with a multi-question construct to measure CPE. This study both employs this construct to measure CPE as a dependent variable and seeks to further CPE research with its findings.

### **Ethics and Profitability**

Ethical evaluations by consumers gained even more influence with J. J. Davis's (1994) research suggesting how strong business ethics could lead to sustained business profitability. He explores *attribution theory*, proposed by Fritz Heider in 1958 to explain how people try to determine why or how actions or events take place. Heider contended that it "describes the cognitive processes through which an individual assigns an

underlying cause or explanation to an observed event” (as cited in J. J. Davis, 1994, p. 874). With the theory, Davis suggests the existence of a link between what consumers infer about a message’s ethics, how that is attributed to the advertiser’s ethical stance, and how these factors influence audience perceptions. He concludes that strong ethics could in fact lead to profitability, provided two conditions are met: evaluation of corporate ethics by the consumer, and a consumer purchasing decision based at least in part on that evaluation. These findings complement those of a previous study by Abratt and Sacks (1988) in which they conclude that consumers would begin expecting (if not demanding) “societal marketing” – in which the top priorities are social and environmental concerns and not just economics. In the long-term, Abratt and Sacks assert, businesses adopting such an approach and seeking to become good national and global citizens would be the ones to experience the most success. Good corporate citizenry extends, of course, to ethical conduct in all facets of advertising.

Some argue that the impetus for ethical behavior lies not with the company, but the consumer. Mohr, Webb, and Harris (2001) investigate this notion with qualitative inquiry, developing a measure based on corporate social responsibility (CSR) that they term socially responsible consumer behavior (SRCB). They describe SRCB as a consumer “basing his or her acquisition, usage, and disposition of products on a desire to minimize or eliminate any harmful effects and maximize the long-run beneficial impact on society” (Mohr et al., 2001, p. 47). They then seek, through semi-structured interviews with 44 consumers, to learn if SRCB level is indicative of changes in purchasing behavior based on a company’s perceived CSR. They find that while most respondents identify as pro-business and pro-CSR, only about a fifth of those interviewed actively

practice SRCB by either supporting “good” companies or boycotting “bad” ones. Those 20 percent, however, are passionate believers in their responsibility to serve as watchdogs of big business, and they enjoy spending time researching companies to make better informed purchasing decisions (Mohr et al., 2001). The authors argue that the more consumers demand socially responsible behavior in companies via their purchasing power, the more those companies will be forced to adopt CSR practices. This study may be useful to gauge the proposed research findings against as a baseline: Are millennials more or less likely to behave in such a way?

Another study by members of this same research team explores the relationship between companies actively practicing CSR, the congruency of those efforts with the business itself, and resulting consumer attitude and purchase intent (Ellen, Webb, & Mohr, 2006). Congruency (Kelman, 1961) in this case rates how relevant to a business’s primary interests, services, or products a viewer deems a particular CSR act or event to be (e.g., a running shoe store sponsoring a charity 5K footrace would have high congruency). Brand attitude and purchase intent are practical measures for gauging public perceptions of a company, and this study demonstrates their use well. The authors’ findings reflect complex consumer understandings of CSR motivations by a company – they were able to identify egoistic (profit-driven) motives vs. those indicative of genuine social concern, showing support for the latter group with higher purchase intent and brand attitude scores (Ellen et al., 2006). The proposed research adopts this study’s use of purchase intent and consumer attitude toward the brand as its dependent variables because of their ability to serve as measures of brand health.

## **The Millennial Generation**

Considering the significance of audience influence leads naturally to more questions: Who are these audience members, what do we know about them, and what is important to them? Millennials, given their name by Strauss and Howe (2000), were first identified as a distinct generation as early as 1991. The authors describe them as more racially diverse, quicker to pick up technology, less rebellious, and more inclined toward teamwork than preceding generations (Elam et al., 2007). Despite little empirical evidence to back them, the generation's detractors assert that millennials are "impatient, self-important, and disloyal, among other unattractive qualities" (Myers & Sadaghiani, 2010, p. 226). Interestingly, when researchers recently compared views of an older generation toward a younger one from the '60s with modern examples, they found that inter-generational attitudes have actually remained relatively stable. Deal, Altman, and Rogelberg (2010) write,

Older people today perceive younger people as using too much slang, having poor communication skills, and being difficult, entitled, and service-focused. When these now older people were the age of Millennials today, previous generations used the same descriptors to characterize them (p. 192).

Such observations grant the idiomatic phrase of exasperation used to describe youths by their elders, "kids these days," a level of perpetual astuteness, but more importantly remind the researcher of the importance of pushing beyond anecdotal evidence.

Upon closer inspection of those who make up the millennial demographic, the stereotypes begin to erode. Gorman and his colleagues (2004) write about strategies for best connecting and motivating millennials in the workplace. Instead of framing the

discussion in terms of strengths and weaknesses, the authors focus on seizing opportunities (i.e., taking advantage of their technological aptitude and desire for group work with suitable activities and responsibilities). Others research how best to connect with millennials as students, investigating preferred learning styles and how their natural technological aptitude might be leveraged in the classroom (Elam et al., 2007). Still others explore how marketers might target millennials' unique demographic traits. One particularly relevant strategy discovered is in appealing to millennials' sense of altruism through cause-related marketing campaigns (Mintel, 2014). Another reinforces the cause-related marketing strategy, citing research showing that almost ninety percent of millennials would be "likely or very likely to switch from one brand to another (price and quality being equal) if the second brand (were) associated with a good cause" (Cone Communications, 2008, para. 3). This follows closely with other research that portrays millennials as especially receptive, both as potential employees and consumers, to companies practicing corporate social responsibility or adopting a philanthropic model (McGlone, Spain, & McGlone, 2011). These findings support the direction of the proposed research and may help the researcher develop hypotheses for the expected results.

### **Research Questions**

Synthesis of this research on the disparate topics of advertising ethics and the millennial generation elicits one primary big-picture question: How will millennials' emergence as the dominant consumer demographic affect advertisers' adoption and practice of advertising ethics? This may be answered with five research questions. The first three are qualitative in nature, and employ concepts based in the Theory of

Consumption Values (Sheth et al., 1991). The TARES test is to be used here as well, in order to frame discussion of ethical evaluation of advertisements. Research questions one through three are to be answered via data collected in focus groups made up of millennial participants. These focus groups are to be informed throughout by normative ethical philosophy.

**RQ1:** How important is advertising ethics to millennial consumers?

**RQ2:** How do millennials evaluate ethical concerns in advertising?

**RQ3:** What does advertising ethics mean to millennial consumers?

Questions four and five are quantitative in nature, and will employ the Ethics Position Questionnaire to determine the ethical perspectives of participants and account for various ethical dispositions. The questions also draw inspiration from corporate social responsibility and integrative social contract theory research, especially Ellen, Webb, and Mohr (2006), Dunfee, Smith, and Ross (1999), and Maignan and Ferrell (2004).

**RQ4a-e:** How does the level of ethics in advertisements affect millennial consumers' a) attitude toward the brand, b) perceived ethics of the brand, c) attitude toward the advertisement, d) perceived ethics of the advertisement, and e) purchase intent?

**RQ5a-b:** How do millennial consumers' attitude toward and perceived ethics in advertisements and brands along with purchase intent differ as a function of their level of a) idealism and b) relativism (using the Ethics Position Questionnaire)?

## Chapter Three: Method

Mixed methods research is especially complex and time-consuming, so it is vital that there be informed rationale for each decision made along the way, from the prominent to the mundane. Doing so enables proper and thorough evaluation – and potentially replication – of the research by third parties. This intense scrutiny also allows the researcher to better understand what went right and what could be improved upon for future studies. It begins by explaining arguments for mixed methods inquiry before going into depth about the rationale for instruments developed, populations sampled, constructs employed, manipulations designed, technologies used, and analyses run. Ideally, every confused “Why?” a reader could possibly utter while considering this research should be replaced with a gratified “Ah, understood,” by the end of this section.

### **Mixed Methods Inquiry**

The research was conducted within the post-positivist research paradigm. Proponents of this paradigm contend that although there *is* an objective truth, and the scientific method should be employed to pursue it, there is incredible difficulty in grasping that truth due to the inherent subjectivity of the human lens (Clark, 1998). To better grasp this slippery concept of relative truth, Clark advocates incorporating methods not usually considered in line with the scientific method: “Post-positivist research need not exclude either qualitative (non-numeric) data or ‘truths’ found outside quantitative method; acceptance of this is crucial to rejecting the strict dichotomy between qualitative and quantitative paradigms” (p. 1245). As such, this research fully embraced a mixed methods inquiry for the added depth and refinement that would result. Because of the

complementary but distinct goals and processes of the two research methods, different theories and models were used to inform each component.

Qualitative methods are adept at going deep to the root of an issue or question (i.e., “why?”), but lack external validity due to smaller sample sizes and non-probability sampling. Meanwhile, quantitative studies are valuable for their generalizability (i.e., “how many?”), but struggle to explain reasons why people behave in certain ways or to decode complex environmental interactions. Further, Sandelowski (2000) recommends mixed methods research incorporating qualitative and quantitative components to broaden the scope of a study. This study heeds that advice in accordance with the nature of the proposed research questions.

Qualitative study is also well suited for a complex issue such as investigating the intersection of demographic, commerce, and morality. Not only does it contain the tools to answer the big questions of “why” and “how,” but in the words of Tracy (2012), “good qualitative research helps people to understand the world, their society, and its institutions. Qualitative methodology can provide knowledge that targets societal issues, questions, or problems and therefore serves humankind” (p. 5). Its holistic nature ensures that thick description and multiple viewpoints allow the whole story of an issue to be told.

Quantitative methods, meanwhile, allow for generalizability – the extrapolation of behavioral patterns with a relatively small sample size to a much larger population. This study employed an experiment as its instrument to test the proposed research questions. An experiment made possible the establishment of causal effect (an advantage over a survey as the instrument), that is, “if variation in the independent variable is followed by

variation in the dependent variable, when all other things are equal” (Chambliss & Schutt, 2012, p. 104). The quantitative research questions sought to examine the relationships between an independent variable (level of advertising ethics) and a set of dependent variables (attitude toward the brand, perceived ethics of the brand, attitude toward the ad, perceived ethics of the ad, and purchase intent). The updated Ethics Position Questionnaire (M. A. Davis et al., 2001) was also employed to provide some mediating variables (idealism, relativism), along with other control variables (i.e., demographic information such as gender, income, education level, and ethnicity).

### **Participant Recruitment**

**Focus group recruitment.** To attract a broad range of participants for the focus groups, the attempt was made to recruit from all University of Missouri residence halls. This would ensure that, although the sample would include only university students (who are not wholly representative of the target demographic), they would at least hail from a wide range of disciplines. Further, to eliminate any fringe members of the demographic, the targeted age range was narrowed somewhat to 18–30. A flier was designed (see Appendix A) and 36 copies were distributed to residence hall communities for posting in common areas, offering incentives of pizza, soda, and the chance to win a \$25 VISA gift card for an hour of time.

The flier invited participants to visit a website with a screener survey where only eligible students (i.e., not too old or too young) would be added to a list and later contacted for scheduling. This first attempt only attracted two respondents over two weeks, so the researcher next turned to the backup plan of recruiting from the University of Missouri School of Journalism. Working with several professors in various graduate-

and undergraduate-level courses allowed for offering extra credit in addition to the previous incentives, and the possibility to “pitch” the research in person to each class. To avoid any possibility of coercion, each professor offered a comparable assignment for the same credit to students who could not or did not wish to participate in the research. This second approach was much more successful, attracting 36 responses to the screener survey over the course of a week. Of these, ultimately 18 students participated across two focus groups.

**Focus group participant description.** Included in this number were five men and thirteen women, ranging in age from 20 to 28. Most of the students were Caucasian, though there was one Asian participant and one mixed race (one black parent and one white) participant. There were eleven undergraduate students and seven graduate students represented, with all but one being journalism majors; there was one history/sociology student, and a few others were double-majors with business or law. Some of the graduate students were older, having worked before coming back to school, while others had entered graduate school directly following an undergraduate program. All of these elements made for an interesting mix of participants within the same generational demographic.

Naturally, some students were more talkative than others, though responses from everyone were requested on certain questions. The activities also ensured the quieter participants were actively involved in some capacity. Conversely, some students were very talkative, so the moderator attempted to keep conversation moving along and on topic.

The researcher knew a few of the students personally through serving as a Teaching Assistant in one of their classes, but the acquaintance was casual and from several semesters past, so this familiarity should not have affected their comments. Also, several of the students did know each other previously, and a few were friends outside of school-related activities.

**Experiment recruitment.** For the experiment, this study employed Amazon Mechanical Turk (MTurk) to reach a larger, more geographically-diverse audience of United States millennials. MTurk is an online service offering pay-per-response, on-demand participation in “human intelligence tasks” (HITs) (Amazon, n.d.). HITs consist of work unable to be accomplished using artificial intelligence, tasks that require human input such as identifying vocalists in a song, helping choose the color for a painting project, or completing social science experiments. Research has found that the demographics of MTurk workers (“Turkers”) reflect the average Internet user (Ross et al, 2010). In this experiment, demographic conditions were set as part of the HIT requirement to ensure millennials from the United States were targeted (explained further in next paragraph).

To participate in this experiment, participants were required to be U.S. citizens, have a 98% approved HIT rate, and have more than 1,000 successfully completed HITs. Before starting the experiment, potential participants were screened by age. Importantly, respondents had to be millennials, so the age range was set at those 18 to 30 years of age to get at the core of the millennial generational demographic. The age requirement was mentioned three times prior to entering the questionnaire, and only those eligible in the

age criterion were allowed to proceed with the study. Respondents earned \$1.00 in exchange for their participation.

**Experiment participant description.** In all, 126 respondents were recruited from across the United States via MTurk. The mean age was 26.18 ( $SD = 2.89$ ) and the age range was from 18 to 30 years old. There were 44 (34.9%) female and 78 (61.9%) male participants, with 4 (3.2%) participants not responding. Education level varied from high school graduates up to the doctorate level, with more than half (57.9%) holding a college degree or higher. Participants were primarily white (74.6%), though other ethnicities were represented: Asian or Pacific Islander (14.3%), black or African American (4.8%), Hispanic or Latino (4.0%), Native American or American Indian (.8%), mixed race (.8%), and other (.8%).

### **Data collection**

**Qualitative.** This study used focus groups to address the following qualitative research questions:

**RQ1:** How important is advertising ethics to millennial consumers?

**RQ2:** How do millennials evaluate ethical concerns in advertising?

**RQ3:** What does advertising ethics mean to millennial consumers?

Examination of the literature revealed several qualitative data collection methods appropriate for this research topic, but focus groups stood out for matters of practicality and efficiency. Focus groups not only allowed for a greater number of participants in the same amount of time as interviews, but also played to millennials' propensity for group activity (Elam et al., 2007) while benefiting from the "group effect" of many members playing off one another (Tracy, 2012). As a member of a different generational

demographic, the researcher found conversation to occur organically; any awkwardness or inter-generational communication misunderstandings were minimized due to the group atmosphere. Further, the method allowed for some creativity in the data collection process, with participants simply being given questions or topics to discuss, but also tasks to accomplish and small-group activities to complete. For example, participants were asked to evaluate a sample advertisement using Baker and Martinson's (2001) TARES test, and then tasked with either re-making the sample ad into a more ethical version (group B) or creating an entirely new ad for a different brand with certain ethical specifications (group A). A focus group protocol was used to guide the proceedings and has been included (see Appendix B).

A meeting room in Lee Hills Hall was secured for these focus groups. It was ideal because of its round-table seating arrangement (to foster group discussion) and its seclusion (to minimize distractions). It was also in a building with which journalism students were familiar, removing one logistical complication. In-person focus groups were chosen over technologically mediated gatherings (e.g., Skype video conferencing or Google+ Hangout) to avoid the potential loss of subtle, non-verbal cues and other in-person participant interactions. This also sidestepped any technological issues that could disrupt the proceedings, and helped the moderator better control the flow of discussion. This choice also allowed for providing food and drink, two additional – and cost-effective – incentives for participation.

Data collection occurred over a period of one week, with two moderated, hour-long focus group sessions. The first focus group was made up of 7 people, while the second (because of a participant mix-up) included 11 participants. The researcher served

as moderator for both focus groups out of considerations for convenience, consistency, and respect for participant privacy. These two sessions equated to 18 total participants and approximately two and a half hours of recorded audio. This resulted in a substantial amount of data, which included regular duplication of sentiments expressed between participants across both focus groups. This latter observation led the researcher to believe that additional focus groups from this population (U.S. journalism students from a large Midwestern university) would be unnecessary.

Transcription time was scheduled for the days following each focus group. This allowed the researcher time to make additional notes about any occurrences needing clarification or additional comment while the session was still fresh in mind. Initial coding began at this time as well, and more in-depth primary coding continued for several weeks afterward. To start, though, anecdotal and empirical evidence suggested that coding consist of such items as: generational pride, inter-generational conflict, pro-ethical advertising, anti-capitalist, corporate social responsibility (CSR), technology-related, social media, or fuzzy morality. The researcher also attempted to keep an ear out for any *in vivo* (Tracy, 2012) terms or phrases that could be useful in coding or elsewhere in the research as well.

Although there were obvious initial conceptions about the research questions to investigate, grounded theory (A. Strauss & Corbin, 1994) was employed during this data collection and analysis phase. This methodology was helpful because, according to Strauss and Corbin, “theory evolves during actual research, and it does this through continuous interplay between analysis and data collection” (p. 273). This allowed some small changes between the first and second focus groups to investigate new questions that

arose following observations from the first session; in this way, the data was able to drive the research. For example, in the first focus group's projective technique activity, participants were tasked with creating a brand new ad from scratch for an assigned brand with the direction of making either a highly ethical or highly unethical advertisement. This addressed participants' coarse evaluations of advertising ethics well, but what if the grain were finer? In the second focus group, the participants were instead asked to revise the ad they had just analyzed (using the TARES Test) into a more ethical version. While the first activity was useful for its wide-open approach, the second activity with its further limitation (in essence narrowing the scope) was practically beneficial in helping describe the original advertisements' validity. The two activities had the parallel benefit of allowing participants to share what they perceived to be the most glaring ethical issues in advertising, but from slightly different directions and with differing levels of granularity.

**Quantitative.** This study sought to answer the following quantitative research questions:

**RQ4a-e:** How does the level of ethics in advertisements affect millennial consumers' a) attitude toward the brand, b) perceived ethics of the brand, c) attitude toward the advertisement, d) perceived ethics of the advertisement, and e) purchase intent?

**RQ5a-b:** How do millennial consumers' attitude toward and perceived ethics in advertisements and brands along with purchase intent differ as a function of their level of a) idealism and b) relativism (using the Ethics Position Questionnaire)?

The experiment for the quantitative component of this study had a 3 (level of ad ethics: control/no ethics, low ethics, high ethics) x 2 (ethical position: low and high in either idealism or relativism) design. Level of ad ethics was the within-subjects factor while individual ethical position was the between factor. In the experiment, participants viewed three advertisements displayed randomly, each for a different brand and at a different ethical level, and answering a randomized series of questions following each ad. The experiment was conducted online using a questionnaire built in Qualtrics. An electronic consent form was given to potential respondents recruited from Amazon Mechanical Turk.

***Stimuli and variables for the experiment.*** Although the stimuli could take many forms, print ads were chosen for their simplicity and ease of control. Other stimulus designs (e.g., interactive, video, audio) would introduce additional levels of consideration in design and measurement that would unnecessarily complicate the study (Rodgers, Thorson, & Jin, 2009). Due to these reasons, portrait-oriented “print” advertisements were chosen to mimic ads similar to the type that regularly appear in magazines.

The first independent variable was Level of Advertising Ethics, defined as the presence (positive or negative) or absence (control) of advertising ethics. This comprised three levels: one ad designed to be highly ethical (positive, or “high ethics”), another of dubious ethicality (negative, or “low ethics”), and a neutral control (absence of ethical consideration by the advertiser). In order to manipulate the level of ethics – high and low – in the advertisements, the TARES Test (Baker & Martinson, 2001) was employed. For instance, the “high ethics” advertisements featured body copy touting the company’s involvement in charitable causes or corporate social responsibility (lottery, restaurant) or

photographic cropping respectful of the model's autonomy (diamonds), while the "low ethics" ads were obviously targeted to a vulnerable audience (lottery) or were deceitful by omission of vital information (restaurant, diamonds). The control ads were to be considered neither ethical nor unethical, including the bare minimum to satisfy a test of ethicality. Then the validity of these decisions was confirmed in focus groups to finalize the experimental stimuli.

The second independent variable, Individual Level of Ethics Position, used the Ethics Position Questionnaire (EPQ) (Forsyth, 1980), which categorizes participants' ethical inclinations and ideologies. Using the shortened version of the EPQ developed by Davis et al. (2001), participants were divided into high and low groups for the two primary dimensions: idealism and relativism (though this same study suggested the existence of a third dimension – veracity – this research focuses on the two original two dimensions). Because of a skewed distribution of responses – which was not surprising given this study's qualitative findings that suggested U.S. millennials were highly idealistic and relativistic – the median split was used to have high and low groups in each category.

There were five dependent variables in this study: Attitude Toward the Brand ("brand attitude" – how favorable the viewer felt about the brand); Perceived Ethics of the Brand ("brand ethics" – how ethical did this brand appear to the viewer); Attitude Toward the Advertisement ("ad attitude" – how favorable the viewer felt about the ad); Perception of Ethics of the Advertisement ("ad ethics" – how ethical was this advertisement in the viewer's estimation); and Purchase Intent ("purchase intent" – how likely viewers would be to purchase the product or service advertised). Each variable

used an existing question set from previous research to form a reliable construct (see Table 1 below).

*Table 1. Variable Constructs*

<b>Variable Construct</b>	<b># of items</b>	<b>Author(s) and publication date</b>
Attitude Toward the Brand	4	MacInnis & Park (1991)
Perceived Ethics of the Brand	4	Brunk (2012)
Attitude Toward the Advertisement	4*	LaTour & Henthorne (1994)
Perceived Ethics of the Ad (Multidimensional Ethics Scale)	5	Reidenbach & Robin (1990)
Verbal Purchase Intent	1	Haley & Case (1979)

\* one item on this scale proved problematic to reliability and was removed in data analysis.

**Outcome Measures.** The following constructs were used to measure the dependent variables in this study. To ensure internal validity, the researcher sought Cronbach's alpha scores greater than .70; final analyses showed scores at or above .80 for all measures but one, indicating the constructs to have good reliability for use in analysis. Scales were adjusted where necessary to make the lowest response negative and the highest response positive (e.g., Strongly Disagree (1) to Strongly agree (5)).

*Attitude toward the brand (Cronbach's alpha = .97, M = 4.71, SD = 1.64).*

Audience attitude toward the brand was measured using a construct from MacInnis & Park (1991). The 4-item construct measured responses with a dynamic 5-point Likert scale on the following items: Bad (1) to Good (5); Not at all likable (1) to Likable (5); Unfavorable (1) to Favorable (5); and Unappealing (1) to Appealing (5).

*Perceived ethics of the brand (Cronbach's alpha = .84, M = 3.47, SD = .94).*

Audience perceived ethics of the brand was measured using Brunk's (2012) Consumer Perceived Ethicality construct. It used four items to measure responses with a static 5-

point Likert scale from Strongly disagree (1) to Strongly agree (5). The four items were: This brand respects moral norms; This brand always adheres to the law; This is a socially responsible brand; and This is a good brand.

*Attitude toward the advertisement* (Cronbach's  $\alpha = .78$ ,  $M = 3.68$ ,  $SD = 1.09$ ). Audience attitude toward the advertisement was measured using a construct from LaTour & Henthorne (1994). Though the original construct included four items, one proved problematic in terms of reliability as well as face validity. To achieve greater internal validity, the item with the low reliability score ("This ad was informational") was removed following data collection, reducing the construct used in statistical analyses to three items. This final 3-item construct measured responses with a static 5-point Likert scale from Strongly disagree (1) to Strongly agree (5). These three items were: This ad was irritating (scale reversed); This ad was good; and This ad was offensive (scale reversed).

*Perceived ethics of the advertisement* (Cronbach's  $\alpha = .90$ ,  $M = 5.13$ ,  $SD = 1.42$ ). The Multidimensional Ethics Scale (Reidenbach & Robin, 1990) provided the construct for perceived ethics of the ad. The 5-item measure, employing a dynamic 7-point Likert scale, asked respondents to rate ads based on whether they were: Unjust (1) or Just (7); Unacceptable to my family (1) or Acceptable to my family (7); Unfair (1) or Fair (7); Morally wrong (1) or Morally right (7); and Traditionally unacceptable (1) or Traditionally acceptable (7).

*Purchase intent*. The Verbal Purchase Intent scale was sourced from a review of purchase intent scales conducted by Haley & Case (1979) from a pilot study from the Advertising Research Foundation in 1970. Although they conducted analyses on a variety

of different types of scales, with most constructs formed from multiple items, the single-item Verbal Purchase Intent scale performed well and was deemed sufficiently flexible and robust for this research. Its question was, “The next time this product is purchased, would you buy this brand?” and responses were measured on a 7-point Likert scale from Definitely Not (1) to Definitely (7).

In addition to the preceding dependent variables, constructs were formed for the Idealism and Relativism dimensions of the Ethics Position Questionnaire. Their reliability scores are included below.

*EPQ: Idealism (Cronbach's alpha = .90, M = 6.65, SD = 1.86).* The Idealism construct, derived from the Ethics Position Questionnaire, employed Davis et al.'s (2001) shortened 6-item scale. Responses were measured on a static 7-point Likert scale from Completely Disagree (1) to Completely Agree (7) and included these items: People should make certain that their actions never intentionally harm another even to a small degree; Risks to another should never be tolerated, irrespective of how small the risks might be; The existence of potential harm to others is always wrong, irrespective of the benefits to be gained; One should never psychologically or physically harm another person; One should not perform an action which might in any way threaten the dignity and welfare of another individual; and If an action could harm an innocent other, then it should not be done.

*EPQ: Relativism (Cronbach's alpha = .89, M = 5.70, SD = 2.17).* The Relativism construct, derived from the Ethics Position Questionnaire, employed Davis et al.'s (2001) shortened 7-item scale. Responses were measured on a static 7-point Likert scale from Completely Disagree (1) to Completely Agree (7) and included these items: What is

ethical varies from one situation and society to another; Moral standards should be seen as being individualistic, what one person considers to be moral may be judged to be immoral by another person; Different types of morality cannot be compared as to “rightness”; Questions of what is ethical for everyone can never be resolved since what is moral or immoral is up to the individual; Moral standards are simply personal rules that indicate how a person should behave, and are not to be applied in making judgments of others; Ethical considerations in interpersonal relations are so complex that individuals should be allowed to formulate their own individual codes; and Rigidly codifying an ethical position that prevents certain types of actions could stand in the way of better human relations and adjustment.

***Control variable.*** In order to control Brand Type, the experimental stimuli included three product categories: diamonds/fine jewelry, lottery, and restaurant/diner food. This variable was included to account for products that might be either inherently unethical or innocuous. The categories were carefully chosen to include potentially problematic brands that could still be portrayed in a positive light. Diamond jewelry was chosen because diamond sourcing is generally understood to be ethically contentious (e.g., were the diamonds used in this jewelry mined ethically or were they funding a warlord’s brutal campaign)? The lottery was another problematic brand, due to its tendency to prey upon vulnerable audiences. On the other side of the spectrum was a generally benign brand, but one that could be viewed as ethical or unethical depending on the lens of the advertisement: diner food. Generally thought of as delicious and a fun family activity, diner food (especially of the fried variety) is notoriously unhealthy and

could be considered a symbol of the obesity epidemic in the United States. Thus this brand was suitable for use in this experiment.

Advertisements were designed and created by the researcher in such a way as to minimize confounds between the different brands and ethical levels. Existing conventions in brand industries were also employed to make the ads look as realistic as possible. This involved invention of the fictional brand names, choice of imagery and typography, and design of the logos (e.g., diamonds ads featured imagery of a glamorous/fashionable woman and a script logo). Each brand had one condition for each ethical level, but care was taken to ensure that the ads were similar enough to avoid introducing any contamination to the design by using the same font, logo, main imagery (but slightly different cropping was acceptable), and positioning/layout of the main elements, and altering only the headline, body copy, and presence of certain elements (e.g., the “Ethically Sourced” emblem only appeared in the high ethics diamonds ad and the “Buy 3 shakes get the 4<sup>th</sup> free” starburst only appeared in the unethical diner food ad). Images of all ad conditions have been included below in the description of the ad analysis section conducted by the focus groups.

***Questionnaire.*** The questionnaire that served as the vehicle for the quantitative component was designed in Qualtrics and took approximately 15 minutes to complete. The questionnaire (and accompanying MTurk HIT) was generically titled, “Millennial perceptions of advertising,” to avoid any mention of ethics that might skew participants’ responses. (This was in stark contrast to the qualitative component, which was transparent about the research topic being advertising ethics; operating in such a way allowed the experiment to independently confirm that focus group findings were not

simply due to respondents giving socially desirable answers.) The questionnaire opened with some general information about the experiment and the online consent form, along with requesting the participants' age and zip code, before moving into data collection and closing with demographic information. If the respondent reported an age above or below the requested 18–30 year old range, the survey would end prematurely. Otherwise, it continued as intended. The order of the question sets themselves was randomized to guard against any presentation order bias. Participants viewed three ads – each consisting of one brand and one ethical level – with no repetitions of brand or ethical level. To ensure equal distribution, six “paths” were created in Qualtrics, one for each possible sequence a viewer could take commensurate with the prior repetition restrictions. Respondents were then quasi-randomly assigned one of these paths after electing to participate. The option in Qualtrics to distribute the responses evenly across these survey paths was selected. In an effort to minimize the drop-out rate, the survey design also included a progress indicator to show participants how much of the survey remained.

The main data collection portion of the questionnaire followed a structure, though as mentioned above substantial randomization was added whenever possible. After consenting to participate in the research, the respondent was shown a text block that stated he/she would be shown an ad on the following page, and to click continue when ready. After clicking to continue, a random ad was displayed. A timer option was enabled in Qualtrics on all ad display pages to hide the continue button until 10 seconds had elapsed to help ensure the respondent actually looked at and read the ad before continuing. Following display of the ad, the question sets for the five dependent variables were randomly cycled through one at a time. Upon completion of the fifth set, another

text field appeared alerting the viewer that the next ad would be shown on the following page. Upon clicking continue, the participant was randomly presented with another ad from a different ethical level and brand type, followed again by the five question sets. Lastly, the viewer would be shown the third ad, with the final brand type and ethical level not viewed before, and the process would repeat with the randomized question sets.

Following the viewing of the three ads, the viewer was presented with the shortened Ethics Position Questionnaire suggested by (M. A. Davis et al., 2001). The three dimensions were broken into individual pages and displayed in a random order with randomized individual questions as well. Finally, demographic data – income, education level, ethnicity, gender, and zip code again – was collected and Qualtrics displayed a randomly generated 9-digit number for the respondent to report on the MTurk HIT page to receive credit for participating. The questionnaire in its entirety is included in Appendix C.

### **Ethical Considerations**

**Focus Groups.** To alleviate ethical concerns associated with this research, various measures were employed. First of all, only participants aged 18 and older were allowed to participate, thus avoiding including any minors in the research. To encourage open and frank discussion in the focus groups, participants' confidentiality was protected in several ways. Because of the low-risk nature of this research, consent form collection was waived as a requirement from both the focus groups and online experiment. Still, the researcher was forthright about what data would be collected, and how (audio recording and written documents completed for focus group activities), and that anyone uncomfortable with participation was free to leave and still receive the benefits promised.

Further, full names were not collected – just first name, age and major in school. The data files collected from these focus groups were stored on a password protected hard drive as images, audio files, or typed transcripts. Raw data files consisted only of audio recordings supplemented by handwritten notes and activity documents produced by participants, with no visual data of participants’ physical likenesses included. Following Campus IRB requirements, these data files will be kept for seven years following the completion of this thesis, at which point they will be destroyed to ensure the confidentiality of all participants is protected. One last ethical consideration was to ensure that the monetary compensation offered was not unreasonably large so as to constitute coercion. This compensation was a mere chance to win a \$25 VISA gift card, so was acceptable.

**Experiment.** Many of the same considerations applied in the online experiment, though less personally identifiable data was collected. Names and email addresses were not necessary for the validity of this study, so were not collected (which helped protect the confidentiality of participants), though computers’ IP addresses were logged to determine unique respondents. This measure allowed for the rejection of several prospective participants who attempted to “fool” the age requirement (one person’s IP address indicated entering his/her actual age at 49, being rejected, and less than one minute later starting the questionnaire again, from the same IP address, but entering an age of 27; this respondent was rejected, along with several other similar instances). Finally, this experiment posed such low risk of harm to participants due to its simple, innocuous nature that the Campus IRB waived the online consent form collection/storage requirement.

**Ensuring Credible Interpretation of the Data (Qualitative Methods).** In quantitative methods one may simply look to the numbers to evaluate whether any findings are significant, to what extent, and what relationships exist, but qualitative research is much more subjective in nature. Therefore, to ensure that the researcher was logically and accurately interpreting the data in the qualitative component, several tactics were employed. First – and it almost goes without saying – starting with a strong, saturated data set ensured that readers and reviewers could not as easily dismiss findings out-of-hand as flukes or outliers. From the repetition of answers across the focus groups conducted, it appeared that data saturation had been reached for this sub-population of millennials made up of journalism students from a large Midwestern university.

Second, it is vital in the interpretation to draw on numerous existing research studies; after all, why go out on a limb when one may instead join others on a branch that has previously been proven sturdy? Within-discipline and cross-disciplinary studies alike can provide rich context for research to be embedded. Many within-discipline studies have been examined in this proposal already, but one example of cross-disciplinary research that may prove relevant is that of “costly signaling” (Gintis, Smith, & Bowles, 2001). This term originated in biology to describe how an animal may voluntarily put itself in danger somehow (e.g., a male frog’s loud and incessant croaking) in order to attract a mate, even though this behavior endangers the animal’s well-being (e.g., increased risk of being discovered by predators). When considered in the sense of altruism, costly signaling may refer to a company that aligns itself with a charity or cause through donations or volunteerism – thus expending valuable capital – in order to make itself more attractive to consumers (McAndrew, 2002). Though there are many other

examples of research where cross-disciplinary insight may be found, seeking out and citing pertinent studies can add valuable depth and credibility to a qualitative study. Although broad cross-disciplinary studies were ultimately not used, studies from areas tangential to advertising ethics (business ethics, general ethical ideologies, altruism, corporate social responsibility) were very helpful in developing robust qualitative analysis.

Finally, in order to ensure credible interpretation of the data, following data collection and initial analysis, the researcher recruited a colleague (a 25 year old female journalism graduate student) who was a member of the millennial demographic to ensure that initial interpretation of the data was accurate and logical. The fact that the researcher was not himself a member of the demographic under scrutiny led to both advantages and disadvantages, but having both viewpoints available was invaluable and served to improve credibility considerably.

One unexpected side effect of mixed methods inquiry was the sheer amount of data collected. After transcription of the focus group conversations and cleaning and organization of the experiment data, the next step was analysis.

## Chapter Four: Results

Results for this section are organized by method, beginning with qualitative findings before moving onto quantitative results. Within each section, findings are organized by the research question they address. While minimal analysis may be present if necessary to explain any confusing results in this section, the most thorough analyses are reserved for the following chapter.

### **Qualitative research questions:**

**RQ1:** How important is advertising ethics to millennial consumers?

Participants in the focus group were aware of advertising ethics, and ethics in general even before receiving any instructions from the moderator. A number had even studied ethical theory in college as an elective. While they may not have been able to articulate the concept completely, they were all able to recall, and even identify, “bad” advertising and “good” advertising they had previously seen. These simplified naming conventions came to be how most participants colloquially referred to unethical and ethical advertising respectively over the course of the sessions.

When asked to describe some of the “bad” advertising they had seen, participants named several examples, such as Hardy’s, Bud Lite, and GoDaddy. Specifically with the Hardy’s ads, several participants ascribed sufficient importance to the ads’ ethics (or lack thereof) that they refused to patronize the restaurant after seeing several of them. One participant said, “(the campaign) sexualized like everything on the menu. It made me want to throw up.” Another added, “When I first saw it I was like, this is gonna get so much backlash they’re going to stop doing it, but ... they’re still doing it.”

Finally, and perhaps most importantly, participants discussed the difficulty of divorcing the ethics of the advertising message from the overall ethics of the company. In other words, if a *company* were viewed as unethical, their advertising alone would struggle to “undo” this feeling in consumers’ minds (e.g., Walmart, Tyson). If a *message* were viewed as unethical, their perception of company would be similarly tainted (e.g., GoDaddy, Hardy’s). One participant expressed offense mixed with incredulity regarding the way a certain Hardy’s ad sexualized the menu items, “I don’t know anyone who watches that and is like ‘Yeah this is really great, I want to go there!’”

On the other side of the spectrum, a company’s positive ethics could provide the incentive for consumer support. One participant discussed her grocery shopping habits and preference for supporting a chain that makes public their community charitable giving: “I do more of my shopping at Lucky’s than Walmart, because even though the prices are higher, and sure, that’s kind of... a little bit inconvenient sometimes, but also I just hate Walmart and everything they stand for.” Another participant added that he would not support Tyson (chicken), even though they had farms locally, because of the way they treat their animals. He then continued with an interesting point: “I wouldn’t pick up two products like side by side on the shelf and see that one says, ‘Oh we’re doing this,’ and then pick that one, but I would rather just not go anywhere near a Walmart.” This suggested that avoidance of socially irresponsible brands might be a more powerful motivator than active seeking of socially responsible brands.

Different brands were also viewed differently from an ethical standpoint, as were their products. For example, several students were of the opinion that the lottery shouldn’t be advertised at all because of the way it preys on a vulnerable audience. One

participant summed up the sentiment about lottery advertising succinctly when she said, “I think the fact that it even exists is kind of questionable.” It was apparent that ethics in general were important to these participants – not just advertising ethics; high ethics could influence the products they bought, but perhaps more powerfully influence the products they avoided.

**Corporate–consumer ethical communication.** When asked about how companies should communicate their ethics to consumers, one participant brought up the Dove Real Beauty campaign. This campaign represented a new approach to advertising – its essential message was, “there’s a problem with how women are portrayed in our industry that goes against our company philosophy, and here’s how we suggest fixing it.” The campaign had far-reaching implications, she said, in that soon after other companies (e.g., Aerie) started pledging to not Photoshop/airbrush their models into unrealistic and unattainable portrayals of physical beauty. In this example, the campaign itself was directly addressing an ethical concern, and participants in both sessions specifically mentioned it as a success story, even though it still used physical beauty as the standard for evaluation.

Separate members of both focus groups also suggested the importance of transparency for a company. One discussed how this related to a company publicizing the ways it gives back to the community, either through the company itself or its employees. Tom’s shoes was offered as an example: one of the things they’re best known for is giving away a pair of shoes whenever someone buys a pair of shoes. This core philosophy of their business appealed to millennials’ demonstrated interest in altruism and corporate social responsibility. Honesty closely followed the idea of transparency,

and several participants brought up the importance of ads being honest, even brutally so. The Dove Real Beauty campaign was again brought up as an example of honesty in advertising. One participant admitted that this can be risky for brands because true honesty means shedding facades, and companies may be unwilling to be completely transparent. But the ones that do, she said, she would respect even more. Another touted the highly developed “bullshit meters” possessed by millennials. “... we can tell the difference from... not even ethical, but just, basically like truthful or not truthful. And I think that transcends ethics.” Other participants echoed this sentiment.

In one of the more profound observations, one participant suggested that advertising was only a part of the equation, and that a company’s true ethical nature was made up of many factors. She said,

I think (my perception of a company’s ethics) has less to do with their advertising and more to do with their personality as a whole ... when I see a Nike ad, it’s less to do with what’s in the ad than, you know, I think Nike exploits its workers overseas ... so that’s what clouds my judgment of their advertisement more than the actual content of an ad would.

Another participant agreed, saying, “If the entire brand is ethical it speaks way more than just one tactic.” These sentiments gave additional credence to the idea of companies possessing an aggregate perceived ethicality made up of multiple factors (see “Goodwill Reservation” in Chapter 5), and would be fertile ground for further research. Brunk (2010) actually requested this in the Further Research section of her article; while she described Consumer Perceived Ethicality and all its regions of influence, research about its formation had yet to be developed.

**RQ2:** How do millennials evaluate ethical concerns in advertising?

To answer this questions, participants broke up into small groups and were given ads randomly to evaluate using the TARES Test. Following are some of the key findings from this exercise.

**Ad evaluation takeaways.** In each group, some ads from the same product were randomly selected for analysis. In each instance, ads were all viewed in the same ethical hierarchy as intended: low ethics – control – high ethics. This helped confirm their validity for use in the experiment (quantitative portion of the research); further, use of an objective measure such as the TARES Test in their creation precluded the need for a separate manipulation check.

**Brand: *Lion-Blanc Fine Jewelry (diamonds)*.** Low ethics and high ethics were all viewed by at least one group. The ad set's overall ethical hierarchy, minus control, which was not viewed, held up under scrutiny (low ethics was deemed considerably less ethical than high ethics).

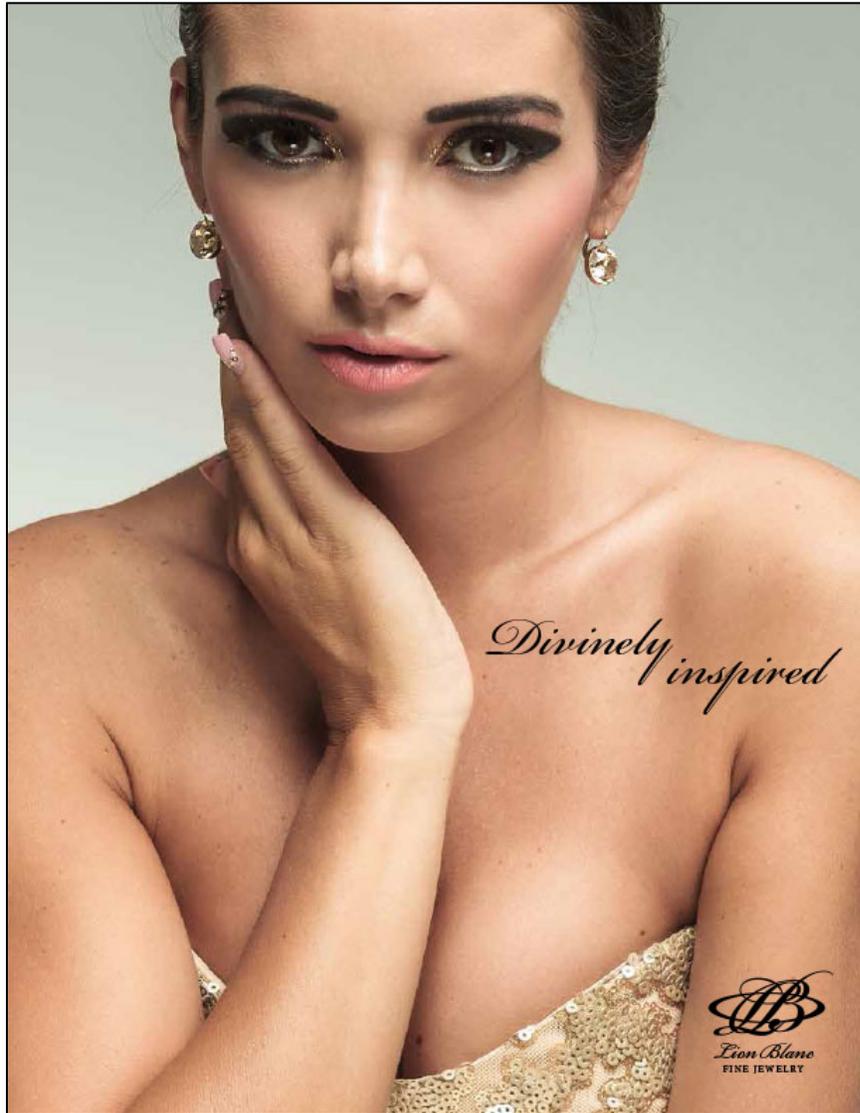


Figure 1. Control Diamonds Ad

The control ad was designed to be inoffensive and basic. As such, it incorporated the high ethics ad's image crop but included no Conflict-Free emblem. The logo and headline placement and general design were consistent. It also included generic headline text that attempted to sidestep outright objectification of the model, but was not proactively ethical.

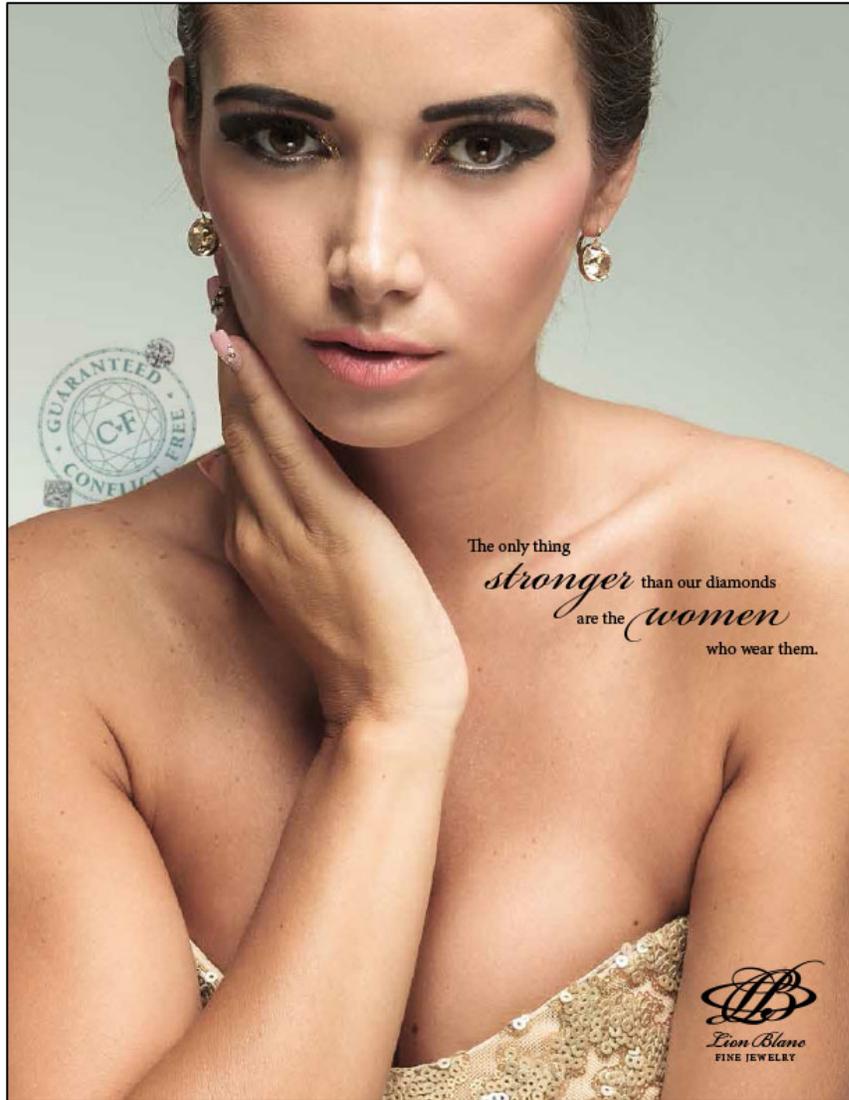


Figure 2. High Ethics Diamonds Ad

The Conflict-Free emblem on the high ethics ad was noted as a positive sign by several participants. One remarked that he had never seen the mark before, but appreciated having it because of his knowledge about the negative reputation of the diamond industry. Not all were familiar with this fact, perhaps because millennial students are not at a life stage where they would be significant consumers of diamonds, and have thus not personally investigated the product extensively. The headline text,

which was meant as an empowering message, was also well received. One participant noted, “It just made us feel good. So it was really hard to find things wrong with it,” while another echoed the sentiment, “even though the image sort of speaks for itself, the image is glamorous, it contrasts her outside glam with who she is as a person.” Still others noted that there remained an element of objectification to the ad: “(it’s) kind of taking advantage of feminism almost.”

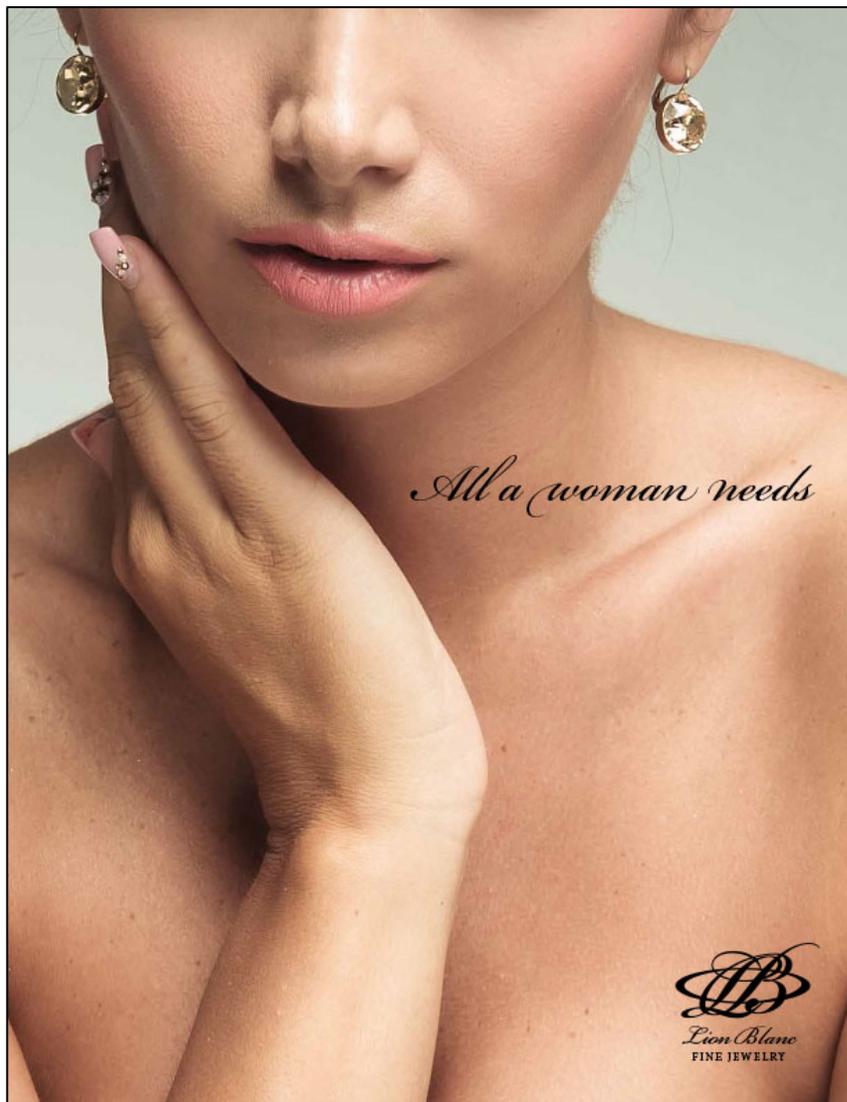


Figure 3. Low Ethics Diamonds Ad

Students noticed disparities in the cropping of the images when viewed side-by-side. Even before that, the groups with the low ethics version (where the model's dress is cropped out, making her appear nude) took issue with the visuals and the text, "All a woman needs." One participant who took issue with the cropping said, "I thought it was a little bit dishonorable that she doesn't have any clothes on, like, 'You don't need anything at all other than these earrings, and you'll be fine.'" Another added, "There's an ugly history of cropping women in this industry... it kind of undermines the person as a whole." Another participant expressed disappointment, saying, "I feel very strongly about objectification in advertising, and so this just really... just makes me frustrated, because lots of jewelry and perfume ads and Prada and Gucci all do this."

**Brand: Mega Cash (lottery).** In this category, control and high ethics were viewed by at least one group. Ethical hierarchy held up under scrutiny for the two ad levels viewed (control was deemed less ethical than high ethics).

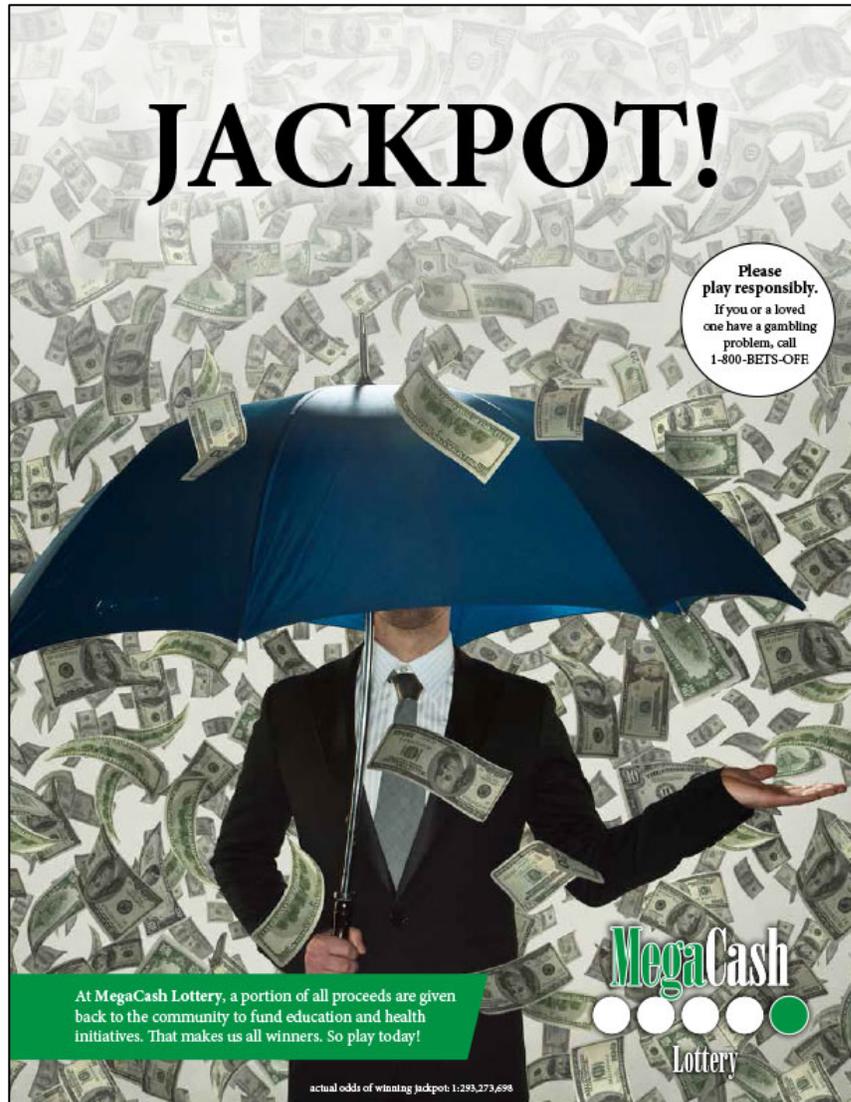


Figure 4. High Ethics Lottery Ad

Several groups cited problems with the Equity category of the TARES test for this ad, and even the presence of a disclaimer showing the extremely small odds of winning failed to alleviate the concerns. “Target is vulnerable, can give people false hope,” wrote one group, though another called the presence of the disclaimer “good... a nice little touch.” Others argued that the disclaimer was so small as to be worthless. It should be noted that, although no groups were randomly selected to view the low ethics lottery ad,

that version fails to include any disclaimer of the odds at all – fine print or otherwise. The group noted the Anti-Addiction badge on the high ethics version: “that’s nice.”

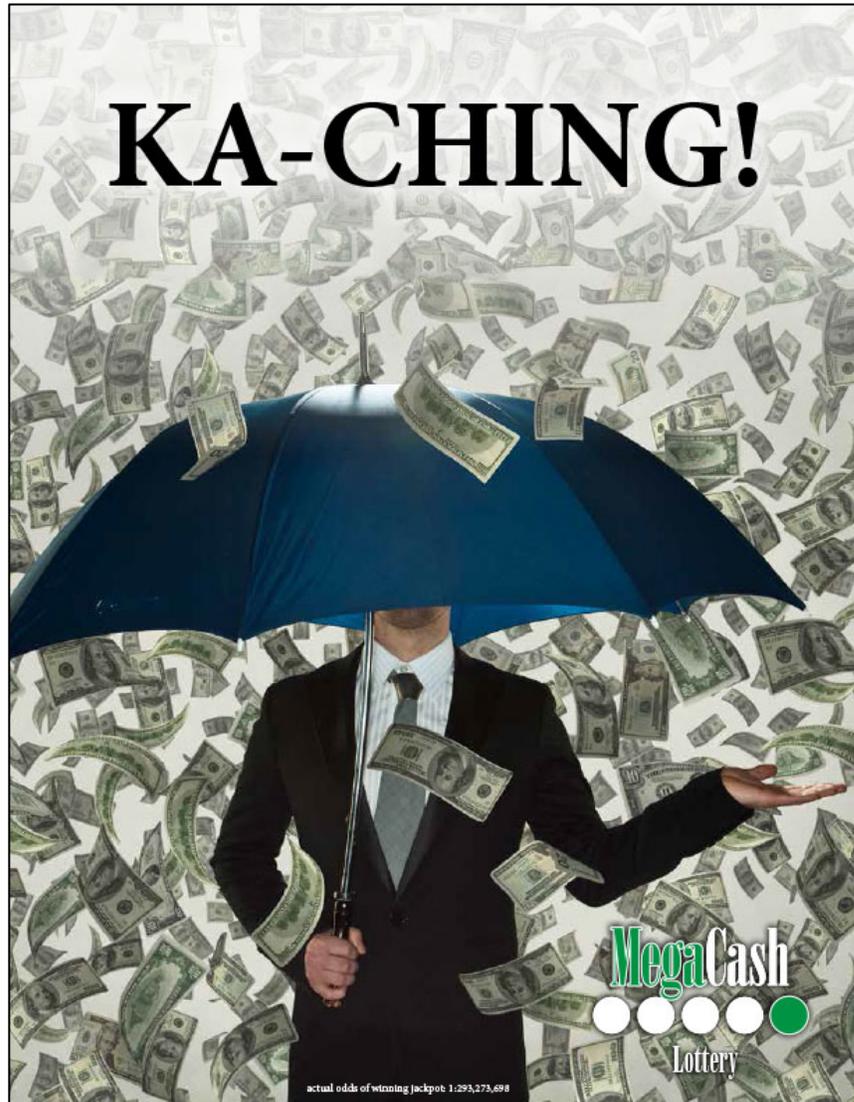


Figure 5. Control Lottery Ad

Participants also (in discussion and in their written TARES analysis document) reported there being a mismatch in the perceived target of the ad and the visual provided of a white man in a business suit. “The truthfulness and social responsibility of it, the

demographic mismatch of who plays the lottery and what their income and all these things (in the ad)... just does not match up with reality,” wrote one group.



Figure 6. Low Ethics Lottery Ad

One of the more striking comments was that, while the lottery advertisements themselves were generally deemed acceptable and mostly inoffensive, the fact remained that participants were uncomfortable with the lottery advertising at all due to its tendency

to prey on vulnerable audiences. One participant said, “I feel like there shouldn’t be advertising for the lottery anyway. I think the fact that it even exists is kind of questionable.” This idea that some products were inherently less ethical than others led naturally to considering how cigarettes, alcohol, and other questionable brands fall into a similar category.

***Brand: Griswold’s Family Grill (restaurant).*** Of all the brand advertisements analyzed, the restaurant ads were randomly selected the least of all. As a result, only one condition was viewed – the control version – so the focus groups cannot provide confirmation of the validity of the brand set’s ethical hierarchy.

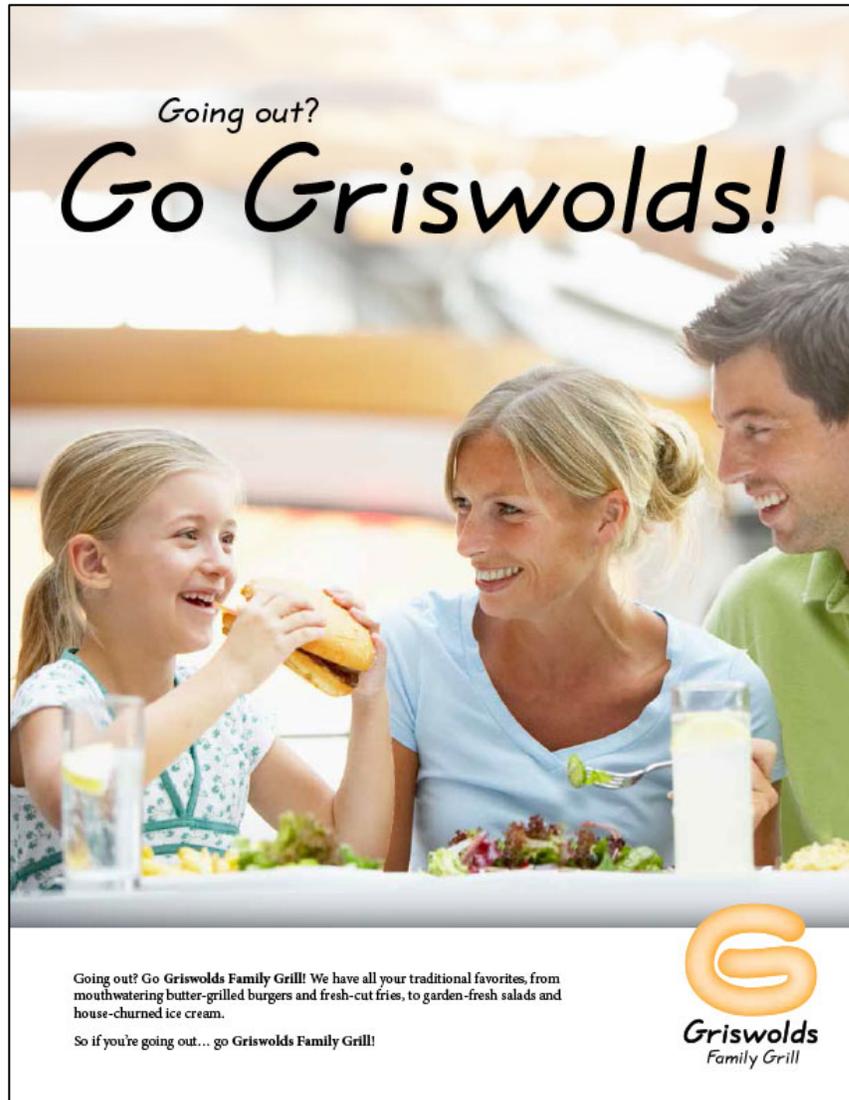


Figure 7. Control Restaurant Ad

The advertisement was viewed as generally positive, but several participants took issue with other aspects of the ad. One participant said that the ad wasn't truthful to him as an Asian because the visuals only depict a Caucasian family. He joked, "Oh, another white ad." Another participant continued on truthfulness, taking issue with the body copy's hyperbole: "Is the burger mouth-watering?"

Go ahead:  
*Indulge!*



Buy 3 shakes,  
Get the 4<sup>th</sup> free!

Going out to dinner as a family is supposed to be a special occasion. So why skimp with a salad? Griswolds Family Grill offers old-fashioned favorites: *world-famous* butter-grilled burgers, thick-cut golden fries, mouthwatering onion rings, and house-churned ice cream for dessert. So go ahead, indulge yourselves... and save the calorie counting for another night. *We won't tell if you won't.*



Figure 8. Low Ethics Restaurant Ad

Another expressed concern with the use of the word “traditional” in the body copy: “traditional favorites to whom? I mean, America is a melting pot.” Beyond these critiques, the ad was received more favorably than most of the others, even the high ethics diamond and lottery brands. Said one participant, “It’s just, like, asking customers to come to the diner... we thought that was kind of benevolent. Their intentions were

good.” This bolstered the idea that brand and/or nature of the product contributes to an advertisement’s (or a brand’s) overall perceived ethicality.



Figure 9. High Ethics Restaurant Ad

There were positive things to be said for the ad. As for the body copy, comments were generally receptive. One participant noted, “(for) authenticity, it’s benevolent and the copy is forthright, so it’s not misleading...”

**RQ3:** What does advertising ethics mean to millennial consumers?

**Thoughts on advertising ethics.** When asked to describe what participants thought was meant by the term “advertising ethics,” they offered, unprompted, some of the key traits of the TARES Test. These comments included, “Making sure what you’re showing in the ad can be backed up by facts” (truthfulness), “That the end is a justifiable one; making as much money as possible is not a justifiable end” (equity), and “(that) you’re not putting a message out there that you know is going to hurt people” (respect). This discussion took place before the ad analysis using the TARES Test, which lent further practical credence to its validity for such use.

Participants also differentiated between matters of ethics and an unintentional or accidental lack of sensitivity. Regarding a recent controversial Clorox bleach ad, one participant said, “I feel like it might’ve been in poor taste, or just disconnected from the way that their target audience feels about certain things... but I don’t feel like it could be labeled as unethical.” Some other participants, though, were more willing to describe such ads as simply unethical.

**Projective techniques.** To elicit what advertising ethics meant to millennials in a way that would help respondents more easily verbalize their thoughts, projective techniques in the form of ad creation or ad improvement were conducted. In Focus Group A, a well-known brand was assigned to each small group and participants were tasked with designing either an ethical or an unethical advertisement for that brand. The assignments given were an ethical Nike ad, an unethical Starbucks ad, and an ethical All State Car Insurance ad. In Focus Group B the small groups were instead asked to design a more ethical version of the ad they had used for their previous TARES Test ad

evaluation. In both cases paper and colored pencils were provided, which the participants seemed to appreciate (overheard: “It feels so good to color.”). Images of the ads are provided below, and in the case of the re-made ads they are shown alongside the originals they were meant to improve upon.

***Ad creation projective technique.*** In the focus group where participants were tasked with creating brand new ads, participants chose several interesting approaches to reflect their assigned ethical conditions.

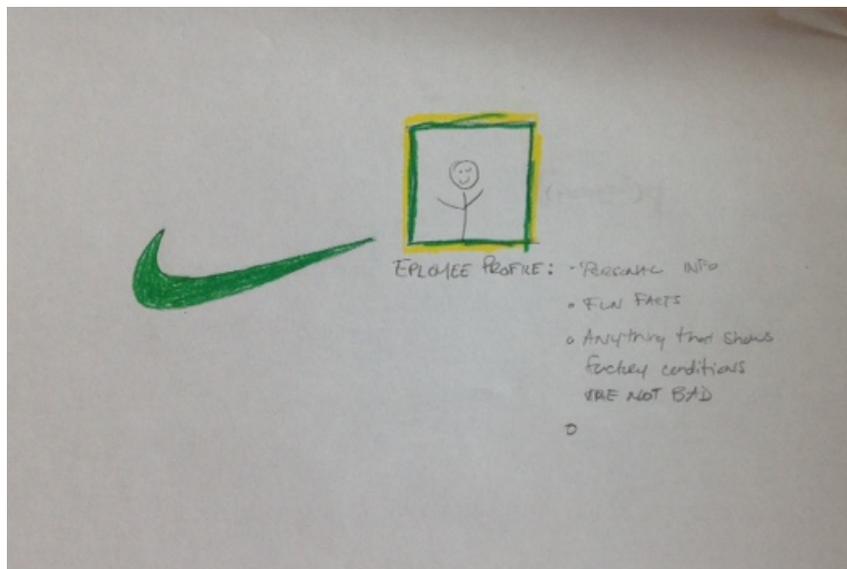


Figure 10. Created Ad: Ethical Nike

The group directed to make an *ethical Nike ad* focused on countering allegations that Nike was outsourcing their jobs overseas by featuring profiles of actual U.S.-based Nike employees. They said they were leveraging the Truthfulness aspect of the TARES test, though this skirted the fact that Nike *does* outsource nearly all of its manufacturing, which remained unresolved and indicated the potential for such an ad to backfire. The other participants in the session appreciated the approach, regardless of its complications.

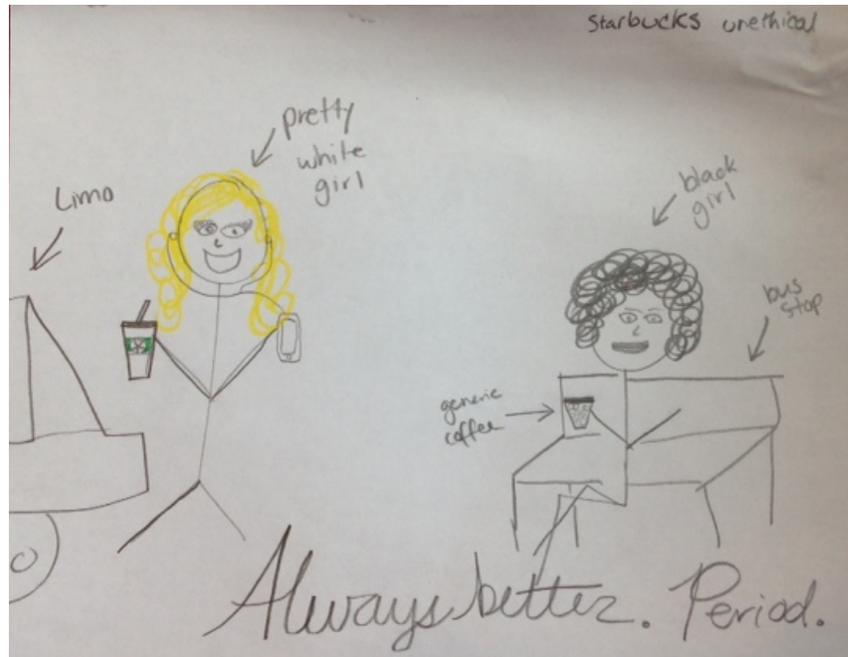


Figure 11. Created Ad: Unethical Starbucks

The next group was tasked with creating an *unethical Starbucks ad*. They focused on skewing the Equity and Respect criteria and created what they referred to as a “Slightly racist!” Starbucks ad. Some in the group contended that the ad, which featured a white woman with a Starbucks cup getting into a limo opposite an African American woman with a generic coffee on the bus stop and the headline, “Always better. Period.” was more than *slightly* racist, but everyone agreed that it was unethical almost to the point of absurdity.

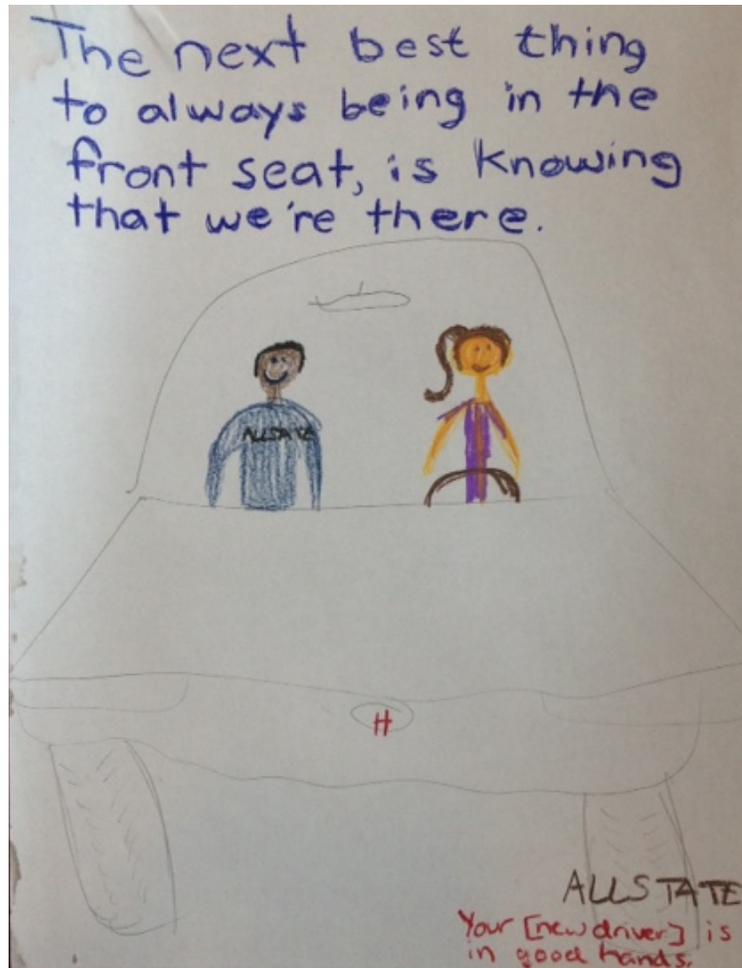


Figure 12. Created Ad: Ethical All State Car Insurance

The last group was assigned an *ethical All State Car Insurance ad*. They prioritized Equity and Social Responsibility by trying to reassure worried parents of new drivers that their children were “in good hands.” Overall, these results were surprising and enlightening, providing a window into what these millennials considered the most obvious features that contribute to making an advertisement ethical or unethical.

**Ad improvement.** A different tack was taken in the next focus group: instead of creating a new ad, participants were tasked with improving the ethicality of the ad they had previously analyzed with the TARES test.



Figure 13. Improved Ad: Control Lottery

Both Lottery groups decided that the advertisements would be better if Truthfulness and Social Responsibility were emphasized. In the Lottery Control Ad improvement, the model was changed out to three people of varying ethnicities and the simple text of “You win!” The body copy emphasized the fact that money is being given back to the community.



Figure 14. Improved Ad: High Ethics Lottery

The Lottery High Ethics ad improvement took a similar approach, arguing that naming a specific charity that would receive the benefit while downplaying the chance that players would actually win the jackpot would be the most ethical. They thus focused on the much more likely outcome that a cause supported by players would be helped, so “Everyone’s a winner!” (their new headline). They even wrote copy that essentially stated, “You’re probably not going to win the lottery, but this charity will still definitely win” – a novel approach. Other participants seemed to agree with their take, and this ad in particular was well received.

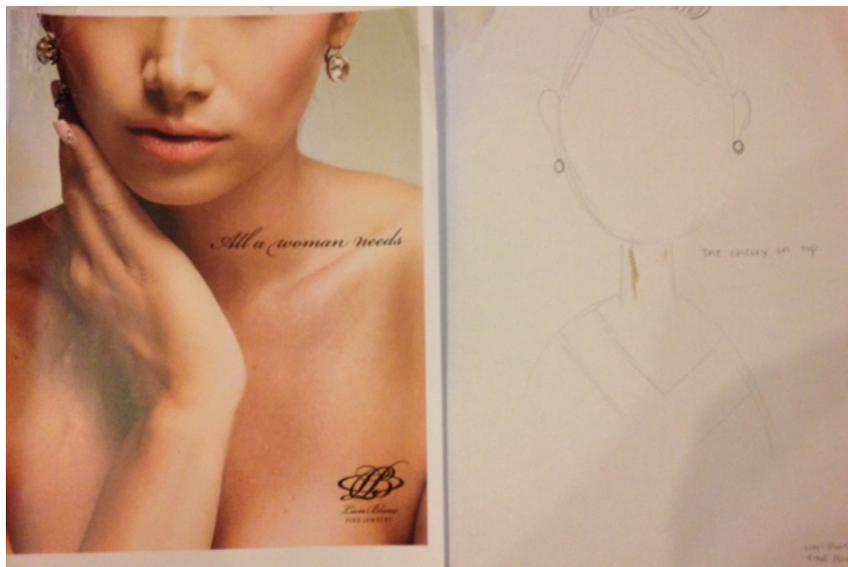


Figure 15. Improved Ad: Low Ethics Diamonds

The groups assigned the diamonds ads took issue primarily with the visuals: specifically the objectification of the model (even the more respectful representation in the high ethics version). In the Low Ethics ad, participants suggested a more modestly-attired woman in the ad, with the headline “The cherry on top,” to represent that the

diamonds don't make the woman – she “made” herself and her jewelry was simply enhancing her already successful image.

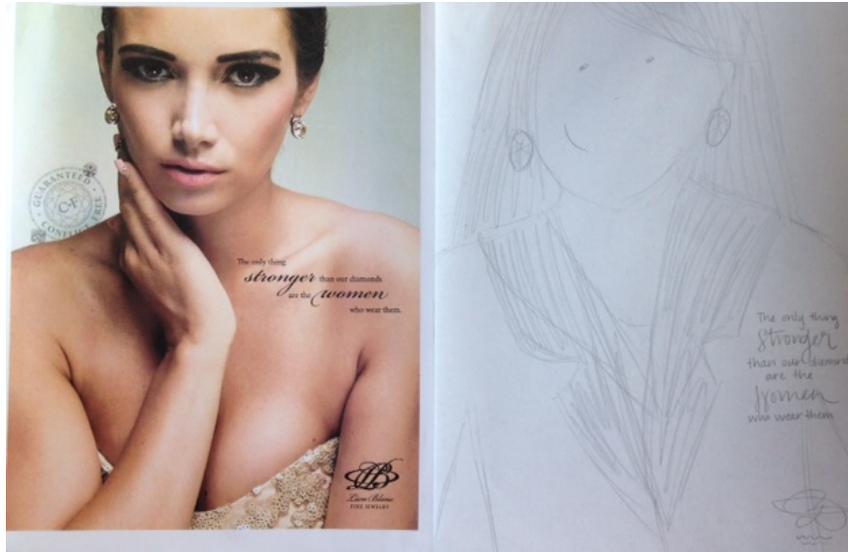


Figure 16. Improved Ad: High Ethics Diamonds

In the High Ethics version many felt uncomfortable with the sex appeal of the ad (one participant referred to it as “the cleavage situation”) combined with the Strong Women headline. Despite early favorable ratings of this ad, upon closer inspection they said it had begun to feel like this approach was “kind of taking advantage of feminism.” Instead, they suggested the model be a clearly successful, confident woman – one who isn’t celebrated solely for her looks. Their revised ad featured a well-dressed businesswoman in professional attire (business suit) who tops off her appearance with fine jewelry. The headline was left as it was: “The only thing stronger than our diamonds are the women who wear them.” All participants agreed that this ad was a clear ethical improvement.

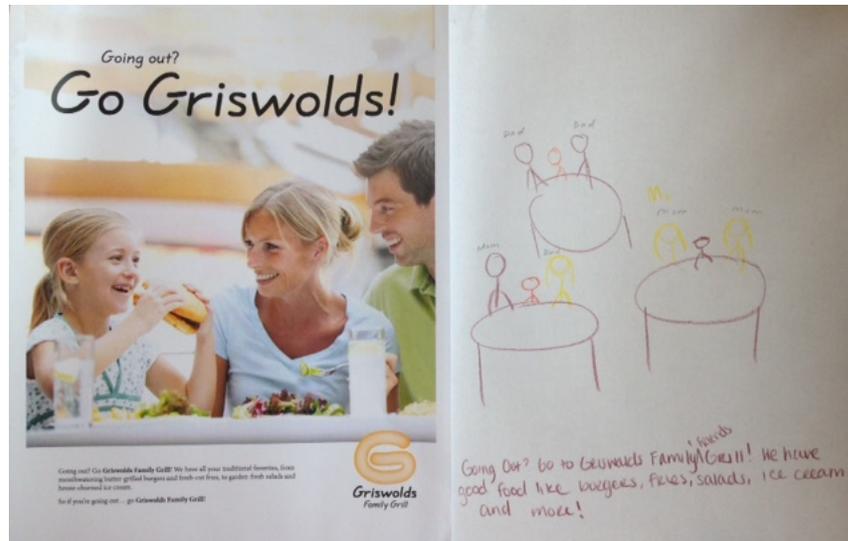


Figure 17. Improved Ad: Control Restaurant

Finally there was the restaurant ad. As mentioned previously, the group analyzing this ad thought that the selection of the models represented the biggest blow to the ad's ethics (Truthfulness and Respect scores specifically). They addressed this by showing a restaurant full of people of various ethnicities and races, with similar body copy and headline. Again, it was hard for anyone to find fault with this suggestion to improve the ad's ethics, despite the design challenges such a suggestion presented.

### **Other focus group findings to aid quantitative analysis**

As part of a mixed methods research study, questions were built into the focus group protocol not solely to answer qualitative research questions, but to aid subsequent quantitative data analysis for this study. These included descriptive information on the millennial generation, participants' thoughts on different ethical systems, and some general discussion of ethical matters.

**Thoughts on millennial values and traits.** When asked what they thought of members of their own generation, responses were split between positive and negative. In

general the mood of this discussion was open and not defensive. Despite many of the comments being negative, this was gauged as the participants simply reporting what others were saying rather than what they themselves felt. Being asked for their own personal assessment of millennials in one word garnered better results – seemingly more sincere and to-the-point (see Table 2).

Most participants seemed to think others viewed their generational demographic negatively. When asked, the most immediate responses were negative, and they only began offering positive traits when specifically asked to explore that area (see Table 3).

*Table 2. Self-Reported Perceptions of Millennial Generation*

<b>Self-Perceptions of Millennial Generation</b>	
<b>Positive</b>	<b>Negative</b>
diverse, socially accepting, interested in social causes, seek work-life balance, technologically competent, open-minded, adventurous, green, global, liberal, diverse, leaning to the left, connected, quick learners/efficient users of technology, not <i>completely</i> dependent on tech (like younger generations will presumably be), desire for connectedness, hard workers	entitled (2), selfishness/self-centered, praise-seekers, skeptical, politically apathetic (rooted in dissatisfaction with system), immature (2), financially dependent, unable to disconnect from technology, can't slow down, fearful of missing out, shallow connections with others, insecure, filter too much (social media), overly concerned with status

Note: A number in parentheses represents repeat answers

*Table 3. Others' Perceptions of Millennial Generation*

<b>Others' Perceptions of Millennial Generation</b>	
<b>Positive</b>	<b>Negative</b>
team players, open-minded, tech-savvy, relentless, curious, generalist (good at lots of things), optimistic, flexible	immature, <i>too</i> open-minded, developmentally stunted (2), lazy (2), dependent on technology, take things for granted, shallow (relationships), boastful, selfish, self-centered, entitled (2), fake, aloof, insecure

Note: A number in parentheses represents repeat answers

One participant unknowingly echoed some research cited in this study's literature review when she talked about how she thought older generations typically scrutinize the younger ones more heavily, and that this isn't something new for millennials with older generations. Such self-awareness seemed appropriate given some of the descriptors participants had just provided.

**Thoughts on ethical systems.** Several students reported having formally studied ethics at the college level. Many stated that considering matters teleologically seemed to be the most natural (this would later be backed up in the Ethics Position Questionnaire portion of the experiment), but there were some vocal "rule-followers" (deontology). The Golden Rule was also seen as a potentially useful ethical framework for modern society. Teleology came up again when discussing capital punishment and the need for police to have the freedom to exercise deadly force when absolutely necessary. One participant talked about the aim of achieving harmony. He summed up his personal mantra as, "do whatever brings you peace." While discussing the various ethical systems, the difference between law (what *must not* be done) and ethics (what *should* be done) was noted.

For the most part, participants' comments identified them as relativists in their ethical philosophies. This was evident in several participants' discussions of empathy for the various ethical predicaments faced by people in extreme/difficult situations (poverty, war). It was also apparent when discussing similar harm but with different victims; stealing from *someone* (e.g., a person's car) was judged more severely than stealing from a *corporation* (e.g, digital movies or music or even shop lifting). This may have to do with the facelessness of corporations, but also the total amount of harm vs. good they estimate to occur in these situations.

## Quantitative results

The quantitative portion of this study proposed two research questions:

**RQ4a-e:** How does the level of ethics in advertisements affect millennial consumers' a) attitude toward the brand, b) perceived ethics of the brand, c) attitude toward the advertisement, d) perceived ethics of the advertisement, and e) purchase intent?

**RQ5a-b:** How do millennial consumers' attitude toward and perceived ethics in advertisements and brands along with purchase intent differ as a function of their level of a) idealism and b) relativism (using the Ethics Position Questionnaire)?

**The impact of level of ethics in the advertisement.** The experiment for this study was designed to answer two over-arching questions: 1) the main impact of the message, i.e., the effect of the level of ethics in the advertisement – low ethics, high ethics, and no ethics manipulated (control); and 2) the interaction between the message and different ethical inclinations of millennial consumers. In order to examine these questions, analyses were run on each outcome measure using 3 x 2 repeated measures ANOVA (Analysis of Variance).

***RQ4a: The effect of ad ethics level on attitude toward the brand.*** The main effect of ad ethics level on attitude toward the brand was approaching significant ( $F(2, 248) = 2.89, p = .057$ ). The direction of means for each condition was in line with expectations; specifically, participants showed more favorable attitudes toward brands in High Ethics ads ( $M = 4.95, SD = 1.72$ ) compared to brands in Low Ethics ads ( $M = 4.48, SD = 1.70$ ). Brands in ads with no ethical cues (control condition) were in between ( $M = 4.71, SD = 1.52$ ).

***RQ4b: The effect of ad ethics level on perceived ethics of the brand.*** The main effect of ad ethics level on perceived ethics of the brand was significant ( $F(2, 248) = 4.33, p = .014$ ), with the expected direction of means. The results showed that participants viewed brands in High Ethics ads as more ethical ( $M = 3.61, SD = 0.92$ ) than brands in Low Ethics ads ( $M = 3.36, SD = 0.78$ ). Brands in ads with no ethical cues (control condition) were in between ( $M = 3.45, SD = 0.74$ ).

***RQ4c: The effect of ad ethics level on attitude toward the advertisement.*** There was a significant main effect of ad ethics level on attitude toward the ad ( $F(2, 248) = 3.09, p = .047$ ). The means were in the expected directions. Specifically, participants viewed High Ethics ads more favorably ( $M = 3.80, SD = 1.00$ ) than Low Ethics ads ( $M = 3.54, SD = 1.00$ ). Ads with no ethical cues (control condition) were in between ( $M = 3.71, SD = 0.85$ ).

***RQ4d: The effect of ad ethics level on perceived ethics of the advertisement.*** The main effect of ad ethics level on perceived ethics of the ad was significant ( $F(2, 248) = 4.03, p = .019$ ). The direction of means for each condition was in line with expectations; specifically, participants rated High Ethics ads as more ethical ( $M = 5.28, SD = 1.42$ ) than Low Ethics ads ( $M = 4.90, SD = 1.26$ ). Ads with no ethical cues (control condition) were in between ( $M = 5.23, SD = 1.18$ ).

***RQ4e: The effect of ad ethics level on purchase intent.*** The main effect of ad ethics level on purchase intent was significant ( $F(2, 248) = 3.035, p = .05$ ). The direction of means for each condition was in line with expectations; specifically, participants reported being more likely to purchase after viewing High Ethics ads ( $M = 4.23, SD =$

1.88) than Low Ethics ads ( $M = 3.75, SD = 1.74$ ). Ads with no ethical cues (control condition) were in between ( $M = 3.99, SD = 1.67$ ).

**The impact of audience ethics position.** The second quantitative research questions concerned the interaction between ethics level of ads (message manipulation) and the audience's ethics position on the dependent variables – attitude toward the brand, perceived ethics of the brand, attitude toward the ad, perceived ethics of the ad, and purchase intent. In the analyses, Idealism (low, high) and Relativism (low, high) were entered respectively. Thus, the results will be reported for the analyses with Idealism as a between factor first, followed by the analyses with Relativism as a between factor.

**RQ5a:**

*The interaction of ad ethics level x idealism on attitude toward the brand.* The interaction of ad ethics level x idealism on attitude toward the brand was not significant ( $F(2, 248) = 0.41, p > .05$ ), nor was the main effect for idealism ( $F(1, 124) = 2.09, p > .05$ ).

*The interaction of ad ethics level x idealism on perceived ethics of the brand.* The interaction of ad ethics level x idealism on perceived ethics of the brand was not significant ( $F(2, 248) = 1.60, p > .05$ ). The main effect for idealism was significant ( $F(1, 124) = 6.31, p = .011$ ), indicating audience perceived ethics of the brand differed as a function of their idealism scores.

*The interaction of ad ethics level x idealism on attitude toward the advertisement.* The interaction of ad ethics level x idealism on attitude toward the ad was not significant ( $F(2, 248) = 0.48, p > .05$ ). The main effect for idealism was significant

( $F(1, 124) = 6.25, p = .014$ ), indicating audience attitude toward the ad differed as a function of their idealism scores.

***The interaction of ad ethics level x idealism on perceived ethics of the advertisement.*** The interaction of ad ethics level x idealism on perceived ethics of the ad was not significant ( $F(2, 248) = .06, p > .05$ ). The main effect for idealism was significant ( $F(1, 124) = 10.92, p = .001$ ), indicating audience perceived ethics of the ad differed as a function of their idealism scores.

***The interaction of ad ethics level x idealism on purchase intent.*** The interaction of ad ethics level x idealism on purchase intent was not significant ( $F(2, 248) = 1.26, p > .05$ ), nor was the main effect for idealism ( $F(1, 124) = 1.70, p > .05$ ).

**RQ5b:**

***The interaction of ad ethics level x relativism on attitude toward the brand.*** The interaction of ad ethics level x relativism on attitude toward the brand was significant ( $F(2, 248) = 4.47, p = .012$ ), as shown in Figure 18.

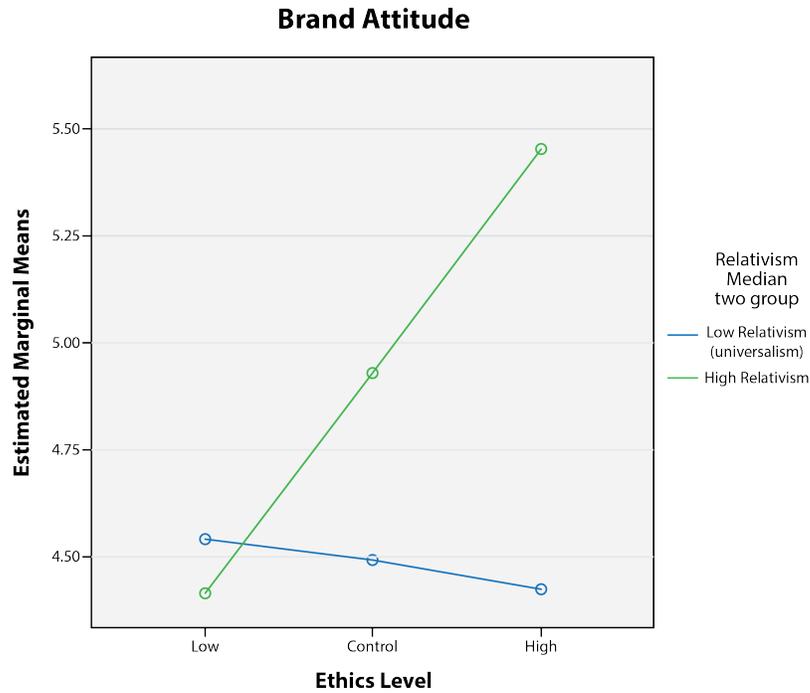


Figure 18. Interaction effect of ad ethics level x relativism on attitude toward the brand (a higher number corresponds with a more favorable attitude)

The results showed that participants with high relativism scores rated High Ethics ads most favorably ( $M = 5.45, SD = 1.57$ ), Low Ethics ads least favorably ( $M = 4.41, SD = 1.69$ ), and ads with no ethical cues (control condition) in the middle ( $M = 4.93, SD = 1.63$ ). On the contrary, participants with low relativism scores reported similar scores across the three conditions, but High Ethics ads were least favorable ( $M = 4.42, SD = 1.73$ ) and Low Ethics ads were most favorable ( $M = 4.54, SD = 1.71$ ). Ads with no ethical cues (control condition) were ranked in the middle ( $M = 4.49, SD = 1.39$ ). In addition, there was a main effect of audience relativism ( $F(1, 124) = 5.91, p = .016$ ), indicating audience attitude toward the advertisement differed as a function of their relativism scores.

***The interaction of ad ethics level x relativism on perceived ethics of the brand.***

The interaction of ad ethics level x relativism on perceived ethics of the brand was not significant ( $F(2, 248) = 2.62, p > .05$ ). The main effect for relativism was significant ( $F(1, 124) = 17.48, p < .001$ ), indicating audience perceived ethics of the brand differed as a function of their relativism scores.

***The interaction of ad ethics level x relativism on attitude toward the***

***advertisement.*** The interaction of ad ethics level x relativism on attitude toward the ad was significant ( $F(2, 248) = 4.76, p < .01$ ) as shown in Figure 19.

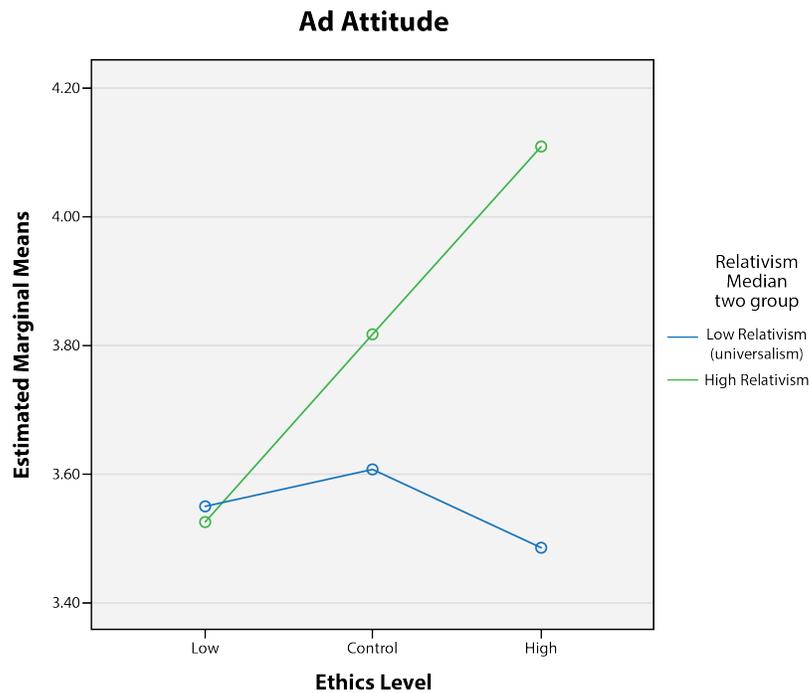


Figure 19. Interaction effect of ad ethics level x relativism on attitude toward the ad (a higher number corresponds with a more favorable attitude)

The results showed that participants with high relativism scores rated High Ethics ads most favorably ( $M = 4.11, SD = 0.89$ ), Low Ethics ads least favorably ( $M = 3.53, SD = 1.06$ ), and ads with no ethical cues (control condition) in the middle ( $M = 3.82, SD =$

0.89). On the contrary, participants with low relativism scores reported similar ratings on High Ethics ads ( $M = 3.48, SD = 1.01$ ) and Low Ethics ads ( $M = 3.55, SD = 0.94$ ), and giving the highest (marginally) rating for ads with no ethical cues ( $M = 3.61, SD = 0.80$ ). In addition, there was a main effect of audience relativism ( $F(1, 124) = 5.80, p = .018$ ), indicating audience attitude toward the advertisement differed as a function of their relativism scores.

***The interaction of ad ethics level x relativism on perceived ethics of the advertisement.*** The interaction of ad ethics level x relativism on perceived ethics of the ad was not significant ( $F(2, 248) = 2.69, p > .05$ ). The main effect for relativism was significant ( $F(1, 124) = 21.15, p < .001$ ), indicating audience perceived ethics of the ad differed as a function of their relativism scores.

***The interaction of ad ethics level x relativism on purchase intent.*** The interaction of ad ethics level x relativism on purchase intent was not significant ( $F(2, 248) = 1.46, p > .05$ ). The main effect for relativism was significant ( $F(1, 124) = 4.358, p = .039$ ), indicating audience purchase intent differed as a function of their relativism scores.

**Post-hoc analysis.** To confirm whether there is any significant difference between ethics level conditions, paired-sample T-test analyses were run for all possible outcome variable pairs: low-ethics vs. control conditions, control vs. high-ethics conditions, and low-ethics vs. high-ethics conditions.

**Brand attitude.** The post-hoc analysis showed that the differences between low-ethics and control conditions and between control and high-ethics conditions were not significant. However, there was a significant difference between low-ethics and high-

ethics conditions ( $t = -2.273, p < .05$ ). The high ethics condition was higher ( $M = 4.95, SD = 1.72$ ) compared to the low ethics condition ( $M = 4.48, SD = 1.70$ ), as expected.

**Brand ethics.** The post-hoc analysis showed that the differences between low-ethics and control conditions were not significant. The differences between control and high-ethics conditions were approaching significant ( $t = -1.903, p = .059$ ). However, there was a significant difference between low-ethics and high-ethics conditions ( $t = -2.680, p < .01$ ). The high ethics condition was higher ( $M = 3.61, SD = .92$ ) compared to the low ethics condition ( $M = 3.36, SD = .78$ ), as expected.

**Ad attitude.** The post-hoc analysis showed that the differences between low-ethics and control conditions and between control and high-ethics conditions were not significant. However, there was a significant difference between low-ethics and high-ethics conditions ( $t = -2.247, p < .05$ ). The high ethics condition was higher ( $M = 3.80, SD = 1.00$ ) compared to the low ethics condition ( $M = 3.54, SD = 1.00$ ), as expected.

**Ad ethics.** The post-hoc analysis showed that the differences between control and high-ethics conditions were not significant. However, there was a significant difference between low-ethics and control conditions ( $t = -2.300, p < .05$ ). Additionally, there was a significant difference between low-ethics and high-ethics conditions ( $t = -2.406, p < .05$ ). The high ethics condition was higher ( $M = 5.28, SD = 1.42$ ) compared to the control condition ( $M = 5.23, SD = 1.18$ ), which was in turn higher than the low ethics condition ( $M = 4.90, SD = 1.26$ ), as expected.

Overall, the post-hoc analyses showed that manipulating ad content portraying different ethical levels made significant differences in the outcome variables this thesis

investigated. This result emphasizes the potential of ethical values embedded in advertisements to influence audience responses.

With all findings and results reported, analysis for theoretical and practical implications follows in the next chapter.

## Chapter 5: Discussion

An area of advertising that, up till now, has been under-studied is advertising ethics – despite its potentially broad economic ramifications. And a generational demographic that, up till now, has been under-studied is the millennial generation – despite the impending commercial, political, environmental, and social clout its members will soon wield. This study intended to target the intersection of these shortcomings by investigating how millennials regard advertising ethics, and how advertising ethics in turn affect millennial relationships with companies and products. Following are the analyses of this study’s body of collected qualitative and quantitative data.

### **Summary and significance of major findings**

**Qualitative.** Many interesting findings emerged from the analysis of data from the focus groups. These included clues as to how millennials evaluate advertising ethics, the traits they deem essential to ethical advertising, the importance of considering the viewer’s role when considering advertising ethics, the difficulty of divorcing advertising ethics from the company’s overall ethics, and hints suggesting how corporate ethical perceptions are formed. These are addressed below.

***How millennials evaluate advertising ethics.*** From participant comments during the focus groups, it is clear that while millennials are still formulating nuanced ethical evaluation capacities, they are sensitive to the more obvious ethical pitfalls. The generation’s documented interest in social justice and enthusiasm for diversity are both areas where millennials are particularly sensitive when it comes to advertising. Given these traits, it is unsurprising that factual accuracy, promotion of ethnic diversity among

models, and protection of individual autonomy (via respectful cropping of an image) were focal points when evaluating ads for ethical issues. They also displayed an interest in protecting vulnerable audiences, as shown in both groups' analyses of the lottery ads. The groups failed to notice or comment upon some of the more subtle ethical cues. For example, even though the restaurant ad was friendly, "benign" in the words of the participants, and generally well regarded by participants, its product – fried, fatty, and otherwise unhealthy diner food – may be inherently unethical by contributing to the country's obesity epidemic and rising healthcare costs. This raises the issue, if an advertiser were peddling a generally unethical product in a friendly or light-hearted manner, would the product seem more acceptable?

*Role of the viewer in evaluating advertising ethics.* It was apparent after conducting both focus groups that ethical perceptions are made up partly by the decisions made by the advertiser and partly by the viewer's own worldview. One participant, who described herself as a "mixed child" (one black parent, one white) summed up both sides of the argument when she rhetorically asked if the advertiser is "intentionally (including minorities) just to play on my emotions and, like, the way my family is, or are you doing it because you understand the decade you live in, and that's what America looks like?" She articulated the difficulty in determining whether an ad's message or content is genuine or pandering. This is a challenging question because the viewer can never know the motives/intentions of the advertiser with absolute certainty.

Another example of this phenomenon was when several of the students were evaluating one of the restaurant ads, which features a white family (a young girl with, presumably, her mother and father). Most participants in this group were Caucasian, and

were favorably evaluating this ad. However, one Asian student took issue with the lack of diversity featured in the ad. He went on to explain that the Truthfulness (first category of the TARES test) of this ad was negatively impacted for him because the people included were only white, whereas a real restaurant would feature a more diverse racial spectrum. He continued that he felt excluded, which he said reflected poorly on the Respect category as well. These two examples shed some light on one of the ways millennials judge the ethics of advertisements they encounter: in an intrinsically personal manner.

***Goodwill reservation.*** Multiple threads of conversation running through both focus group sessions suggest the existence of an aggregate perceived ethicality for businesses in consumers' minds. Brunk (2010) proposed Consumer Perceived Ethicality as a way to gauge how people feel about businesses' ethics, but formation of this measure was not developed. This research may provide some clues to its formation, and is dubbed "goodwill reservation" because of how it constantly changes with every consumer-brand interaction. This measure seems to be composed of consumers' 1) knowledge of a company's business practices (including relationships with employees, suppliers, the environment and other stakeholders), 2) perceptions of corporate representatives, 3) evaluations of corporate communications such as advertising and public relations, and 4) assessment of the nature (beneficence or maleficence) of the company's product(s) and/or service(s). (These reflect many of the "domains" that Brunk (2010) discusses in her Consumer Perceived Ethicality, though "nature of the company's product(s) or service(s)" represents a new area of consideration.) As stated before, it is fluid and constantly updating – every interaction a consumer has with a brand impacts their

evaluation. While further research is needed on this topic, there exist some initial thoughts on the concept.

Negatively-perceived (immoral) elements deplete this reserve, while positively-perceived elements replenish it. Further, it is much easier to deplete than to replenish. In the focus group, the most raucous discussion occurred when multiple participants described how their trust in fast-food chain Hardy's had been shattered with one continually offensive ad campaign, ending their patronage at the restaurant. While Dove Beauty started on more neutral ground, it has taken the company multiple ad campaigns in their Real Beauty initiative to reach a similar sense of magnitude on the opposite side of the spectrum. For every negative sentiment expressed for Hardy's, there was one of praise for Dove.

Small businesses seem to be granted a boost thanks to recent "buy local" and general anti-corporate movements, whereas large companies are generally viewed with more skepticism, lowering their scores. Consumers are more likely to give companies with positive reputations the benefit of the doubt, while more negative companies will be skewered with even a slight error. In the case of the focus groups, the company that appeared like a small, local business (Griswold's Family Grill) was evaluated less severely than either of the other two, which appeared to be larger, perhaps national companies (diamonds and lottery).

The size/amount/importance of purchase affects magnitude of change in attitudes. An unsatisfactory music album will be thought of less critically than an unsatisfactory automobile (one student used this very example when talking about relativism).

First impressions are important – the longer a certain perception is held, the harder it is to affect a company’s consumer perceived ethicality.

To support the idea that various aspects contribute to a company’s goodwill reservation, one may consider two companies discussed by focus group participants. Walmart and GoDaddy were both considered “bad” companies, but they were bad for different reasons. Walmart was bad because of its perceived business practices (running local shops out of businesses, unfairly compensating workers, unethical relationships with suppliers) while GoDaddy was bad for its advertising (chauvinistic and insensitive). These opinions were not formed immediately – each interaction built on multiple other interactions either in the news or in advertisements to form participants’ present opinions.

While this concept is still undeveloped, there seems to be much potential. Further researcher could prove fruitful on this topic, contributing valuable knowledge to the way aggregate ethical perceptions of companies are developed, damaged, or maintained.

**Quantitative.** The experiment was effective at examining millennial perceptions of advertising ethics from several different angles. Results showed that respondents as a whole viewed the ads generally as intended, that level of advertising ethics significantly (or approaching significance) impacted audience responses across all dependent variables, and that relativism had an impact on attitude toward the brand and attitude toward the advertisement.

***Main effect of ad ethics level.*** The main effect of ad ethics level was significant across all dependent variables. In general, respondents rated High ethics ads more favorably for ad and brand attitude, ad and brand perceived ethics, and purchase intent. Conversely, Low Ethics ads were viewed least favorably of all ads across all dependent

variables. This left control ads in the middle for each dependent variable. This suggested that the ad ethics level manipulations were successful, and more importantly, that U.S. millennial respondents would be more likely to support brands in various capacities that use ethical advertising. Given that the stimuli were manipulated to elicit such a response, these findings were largely expected. What was less expected was the change in results when viewing the interactions between ethical dispositions and ad ethics level in the next section.

***Relativism and universalism.*** There were no significant interactions of any note between ad ethics level and the first ethical dimension, idealism. However, significant findings from the next dimension suggested that millennials of different ethical inclinations – specifically, relativists vs. universalists – judge ethicality in advertising very differently. This may be obvious to state outright, but it is worth noting because it implies that consumers with dispositions of Low Relativism (i.e., universalism) may be reached equally well with advertisements that fail to consider ethicality or even intentionally veer toward the unethical. This provides advertisers additional creative options and control, if accomplishing little for proponents of highly ethical advertising. In advertising, understanding the target audience – and catering to their interests and proclivities – is paramount to successfully delivering a convincing message and eliciting desired behavior. It should be noted that this only applies to millennials of certain dispositions – others were shown to be much more sensitive to advertising ethics. Interestingly, high relativism participants responded as expected (viewing the ads’ ethical hierarchies as intended), while low relativism participants bucked this trend, seeing little

distinction between Low, High, and Control ethical conditions. It was an interesting finding, but why might this be the case?

Ethical theory may be consulted to more fully understand the situation. Are relativists more likely to view highly ethical ads as pandering or “fluff,” and thus less trustworthy? Do they simply have good “bullshit detectors,” as one participant claimed in a focus group comment? A more likely explanation is that these respondents simply have a higher threshold for what might be considered unethical, or that they are more moderate in their evaluations. This last interpretation seems most representative of a universalist, whose ethical rules must necessarily be more generalized in order to be practical in all cases.

For example, a strict universalist might be adherent to the rule that one must never kill another person. But if this hypothetical individual were set upon by a malicious attacker with seemingly fatal intents, the universalist might follow the rule that one must never kill by gravely – but not mortally – wounding this aggressor. This individual would maintain an ethical nature, in spite of the harm he or she had done to the other. A relativist in a similar instance might defend him or herself in a similar way and live to see another day following that exceptional situation. However, differences could emerge in the aftermath. The universalist could walk away with a clear conscience; after all, the “rule” this individual so closely adhered to was not broken. However, the relativist, ever mindful of a situation’s unique circumstances, might regard the gravely injured attacker and begin to wonder, “What level of desperation or mental illness caused this person to act in such a way?” This individual may even begin to feel sympathy or remorse for the damage they were forced to inflict in self-defense.

It could be argued that a universalist necessarily sees the world in a more black and white manner than that of a relativist. If that notion is accepted, a universalist's view of advertising ethics would be more highly contrasted as well. For instance, a brand might exaggerate a claim in an advertisement, while avoiding an outright lie. The devout universalist would find this completely acceptable (after all, the brand did not technically lie), while the relativist might find it completely unacceptable. This interpretation, while an exaggeration of the situation, may explain the variances in responses between high relativism and low relativism (universalism) participants in this study as they pertain to the affected dependent variables (attitude toward the brand and attitude toward the ad).

Factoring in findings from the qualitative portion of the research provides some additional practical insights. One focus group participant had been discussing what she felt was an unethical St. Patrick's Day ad campaign for a beer brand that encouraged consumers to "pinch people that aren't 'hashtag up for whatever.'" Another participant disagreed with her conclusion about the campaign's ethicality, citing that "there's an understanding between audience and advertiser..." and expecting people to just mindlessly go around "assaulting" others because an advertisement gave them permission "doesn't give the audience enough credit. So to me that's not an ethical breach." This comment suggests a mediating frame that people use when viewing advertising, akin to the suspension of disbelief one experiences when engrossed in a book or movie. More research would be advised to further examine this relationship.

## **Theoretical implications**

**Theory of Consumption Values.** One interesting item of note revolved around focus group participants' apparent emphasis on outward appearances of ethicality. This was displayed at various points in the focus groups, including:

- 1) During analysis of the diner food ad, almost all ethical problems were visual; they failed to pick up on the functional issues that had been added (e.g., that diner food like "butter-grilled burgers" is very unhealthy and an obesity epidemic is gripping the U.S.).
- 2) The group tasked with creating an ethical Nike ad focused on combating the notion that the company was outsourcing jobs by highlighting U.S. employees in their ads, even though that would not change – only obscure – the company's policies on outsourcing jobs.
- 3) Likewise, the ethical All State car insurance ad promoted an emotional benefit rather than a functional one (e.g., your new driver is safe with us vs. your new driver will receive a great rate).

When considered through the lens of Sheth et al.'s (1991) Theory of Consumption Values, these behaviors may be explained with the idea that millennials seem to weight emotional and social values more heavily over functional, epistemic, and conditional ones. This is represented as well in the generation's well-documented love of social media and their desire, even "need" as described by a participant in one focus group, "to always be connected" (Intel, 2014).

**Formation of Brunk's Consumer Perceived Ethicality.** As mentioned above, the "goodwill reservation" concept proposed by this research could serve to illustrate the

method by which Brunk's (2010) Consumer Perceived Ethicality is formed. As consumers become increasingly more interested in corporate social responsibility, this measure will likely gain in prominence as well. More research is necessary, but the insights gained in this study's focus groups were encouraging and may even serve as a blueprint for future investigations.

### **Practical implications**

This study contains many practical implications for advertisers and the advertising industry in general. As mentioned above, millennials' perceived preferences in the Theory of Consumption Values suggest ways advertisers might best reach this audience. For example, if emotional and social values are indeed more heavily weighted by millennials, crafting ads that leverage this finding could be expected to resonate with them more effectively. It goes beyond just advertising, though; advertising at its core is communication – branded, sponsored communication. Considering millennials as a diverse, fragmented audience, integrated media strategy – social media, customer service, design of stores or websites, mobile phone apps, etc. – becomes all the more important.

This ties into the concept mentioned above of how millennial consumers view advertising, and by extension advertising ethics, as especially personal. It would exponentially complicate the jobs of advertisers and advertising practitioners (who already have much to think about: message, medium, audience, art style, mood, and many other factors) to add “anticipated individual reception by all members of an incredibly diverse audience” to their list of responsibilities. Millennials may be the most diverse generation yet (Mintel, 2014), meaning many voices to hear and many tastes to appease. But they are also very interested in social justice and diversity; thus, the issue may be

easier to address than anticipated. If advertisers simply place respect and inclusion at the forefront of their advertising as they pertain to message, visuals, and medium – they will already be well on the way to pleasing a great many millennials. Considering the experiment’s significant (or approaching significant) main effect findings of ad ethics level across all U.S. millennials from 18 to 30 years old described earlier, it may also be a good idea for advertisers to keep copies of the TARES test close at hand while developing and testing campaigns.

Advertisers and practitioners’ jobs might be further simplified by merely understanding what is out of their control – such as the unexpected way an individual might respond to a message. Advertisers may then spend their resources controlling what *is* under their control: making practical, savvy decisions that are impactful to the largest number. Of course, careful targeting is always important as well, a fact this finding underscores; fortunately, there are more ways today to reach exactly the right target than ever before (e.g., contextual advertising, email newsletters, rewards programs, in-app messaging, direct social media interactions).

While this study’s qualitative findings may set advertisers and advertising practitioners on edge, they may find some consolation from the study’s quantitative results. For example, the relativism findings suggest that advertisers – if they happen to be targeting people who have universalist tendencies – can actually relax a bit. Universalists (or relativists who lean toward universalism) appear to be less condemning of questionable ad ethics, or at least more understanding of the special frame through which advertising is viewed. As mentioned previously, the findings suggest that advertisers may be able to let loose and use this knowledge to reach such consumers in

more risky ways – advertising that is racier or uses shock value, employs hyperbole to comedic or fantastic effect, or plays off of dark humor could be effective in reaching this audience in memorable fashion. However, if an advertiser’s target is high in relativism, they should tread more carefully, as these consumers are more sensitive to ethical issues. The quantitative findings indicate that these high relativism consumers would be very receptive to highly ethical advertising, such as the type Dove, Aerie, and Toms are doing. All of this just reconfirms one of advertising’s oldest maxims: above all, know thy audience.

### **Limitations**

Although focus groups served as this study’s qualitative method, the technique was not without its limitations. One of the primary concerns involved the skill of the moderator. How well was conversation mediated and stimulated? How were situations where one (or more) participant became problematic or dominated the conversation handled? How well was the group kept on track? Were serendipitous opportunities to dig deeper into a topic leveraged? Another concern was in creation of the focus group protocol. Would all qualitative research questions be answered sufficiently with the developed instrument? How well would its tertiary information gathering aid subsequent quantitative analysis? Further, an artificial setting such as a focus group discussion may have restricted expression of participants’ true opinions (especially unpopular ones) due to group dynamics or perceived moderator expectations. These concerns were anticipated, and thus largely avoided. However, perhaps the most serious limitation was in the selection of U.S. millennial journalism students from a large Midwestern university. It was a necessary factor to complete the research in a timely fashion, and

other avenues were explored, but it is unknown how representative these students were of other millennials across the country. While this would normally not be problematic in qualitative research, which is concerned with depth of knowledge rather than breadth, this research employed a mixed methods approach. When conducting this type of research, both qualitative and quantitative populations should align as closely as possible, and there were some differences in these two samples. One other limitation was in openly asking specifically about advertising ethics. The framing for such a discussion might have prompted participants to respond in primarily socially desirable ways. Although efforts were made to create a non-judgmental arena of discussion to encourage open participation and elicit participants' true feelings, this could still have impacted the data.

Limitations for the quantitative component of the research involved sampling and instrument design issues. Employing MTurk for distribution meant acceptance of a convenience sample, and further these respondents self-selected for participation rather than being randomly selected. While research has shown that Turkers are very similar to the average Internet user (Ross et al., 2010), the lack of a randomly selected sample may impact broader generalizability. Regarding the instrument's design, results showed some inconclusive differences in participant attitudes toward the different brands, but that part of the research was not developed enough to give more than a general clue pointing toward the need for future research. A new experiment would need to be designed and conducted to explore this issue more fully.

Finally, the type of products/brands used in the stimuli for this research could have provided a limitation. Though these brands/products were carefully considered and chosen, were they optimal? During consideration in this period of stimulus development,

and later reinforcement in comments from focus group participants, suggested products to have inherent ethicality. Cigarettes may be one of the most obvious examples for an inherently unethical product. Without a specific framework for choosing these products, rather relying on gut-level reactions and informal discussion with other researchers, these choices could have limited the replicability and validity of the study's findings.

### **Directions for future research**

This last point – a limitation in this research being unknowns regarding the inherent ethicality of products or services – is one area that could be investigated in future research. Several other directions for future research have been mentioned over the course of this discussion, but to reiterate they are:

- Investigate formation of consumer perceived ethicality; goodwill reservation and its potential implications may prove useful in this research.
- How does gender factor into advertising ethics? Is there a significant difference between how men and women determine advertising ethicality? What might the interaction of gender be with the independent variable of ad ethics level?
- How do brand and/or product type affect audience perceived ethicality of advertising? Are there inherently ethical or unethical brands or products? If so, what factors contribute to a brand or product's inherent ethical condition?
- Which is the more powerful consumer motivator: avoidance of socially irresponsible brands, or active selection of socially responsible brands?

## **Conclusion**

Through the examination of the existing literature, it was clear that advertising ethics was an important field, and millennials an important emerging demographic. As such, a comprehensive, mixed-methods study, such as the one conducted here, was primed to collect a wealth of valuable data. In this effort, qualitative research was able to describe the personal nature of millennial ad evaluation and uncover clues as to the formation of Brunk's (2010) Consumer Perceived Ethicality measure, while quantitative research was able to support this effort as well as provide more information about how consumers with different ethical dispositions – relativist or universalist, idealist or pragmatist (Forsyth, 1980) – respond when presented with varying levels of ethicality in advertisements. With a theoretical foundation in the Theory of Consumption Values (Sheth et al., 1991) and models in the form of the Ethics Position Questionnaire (Forsyth, 1980) and the TARES test (Baker & Martinson, 2001) to inform the research, and experienced and knowledgeable faculty mentors to help guide the researcher, much was learned about millennial perceptions of advertising ethics and the mixed methods research process in general. Its biggest contribution to the field of advertising ethics might be its contention that advertising ethics cannot stand alone in millennial consumers' minds. It is inextricably linked with myriad other ethical systems – corporate ethics, the inherent ethicality of products or services, even the personal ethical behavior of company representatives – that combine to form an aggregate and ever-changing perceived ethicality.

This study, as is the tendency – and the duty – of research, has raised more questions than it answers. By contributing to the growing body of advertising ethics

literature, however, it has accomplished its primary goal. Other researchers must now pick up where this study has left off and continue to investigate how millennials' growing influence might revolutionize the consumer-corporate relationship across social, cultural, economic, political, and environmental spectrums.

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## Appendix B: Focus Group Protocol

*Introduction of moderator. Brief run-down of what to expect.*

Question: “Tell me a little about yourselves.” (go around room, let each person talk)

Question: “What do you know about your generation, the millennials?” (open to all)

Question: “What do you think people from other generations think of millennials?”

*Provide some information about what market research says about millennials*

Question: “Do you feel like that’s accurate?”

Question: “How would you describe your generation in one word?” (go around room)

*Transition into ethics discussion.*

Poll: “Who’s heard about ethics before?” (raise hands)

Question: “Ok, who here can tell me what ethics is?”

*Provide background on ethics in plain English if necessary. Three methods: means vs. ends vs. character, “golden rule,” “how we all get along,” a little history, etc.*

Question: “Which kind of ethics makes the most sense to you? Why’s that?”

Poll: “Who’s heard about advertising ethics specifically?” (raise hands)

Question: “Can anyone tell me what that is?”

*Provide explanation if necessary, encourage discussion if there are volunteers. If explaining make distinction between message and organizational components*

Question: “Can someone name an example of good or bad advertising you’ve seen recently? Why did you think it was good/bad?”

*If no response, be prepared to give an example, then ask what they think of it – good or bad, and why?*

Question: “Was that ad ethical? Why do you think so?”

Activity: Sample analysis using TARES test.

*Break into groups of two to three, give each group a different “borderline” print ad that could be considered ethical OR unethical and worksheet that includes the five criteria of the TARES test listed out with space for writing included. Explain about the TARES test and ask them to spend a few minutes analyzing the ad.*

Question: “How’d that go? Would anyone like to share?” (if not, call on someone)

Question: “How could you rework that ad to make it more ethical?”

*Let multiple groups talk if desired*

Poll: “Would you be more willing to support a brand if you knew its advertising were ethical?”

Question: “Why’s that?”

Poll: “Ok, other way around: would you stop supporting a brand if it practiced unethical advertising?”

Question: “Why? Anyone want to elaborate?”

Question: “How important is it to you that the brands you support be good corporate citizens?” *(provide example if participants are unsure)*

Question: “Do you think advertisers have a responsibility to produce ethical advertising? Why or why not?”

Question: “Do any of you support a brand or company that you feel is a good corporate citizen? Which one? What do you like about how they operate?”

Activity: Make a good, ethical ad or a bad, unethical ad

*Provide each group a client/product, scratch paper, pencils/markers, the TARES test criteria, and a folded slip of paper that tells whether their ad will be ethical or unethical. Give them a few minutes to work up ad ideas/sketches.*

Question: “How’d it go? Who wants to share theirs?”

*Provide discussion, feedback, choose one ad to use as an example from the presented ones for following questions.*

Question: “What do you think makes this an ethical ad?”

Poll: “How many of you would want to support a company that made an ad like that?”

Question: “How would you want a company to let you know that its advertising practices are ethical? Or do you think you should be able to tell from the ad itself?”

Question: “Last question: what do any of you feel like you’ll take with you about advertising ethics after this session?”

Question: “Any final thoughts or comments on advertising ethics?”

*Wrap-up, thank participants for coming, provide gift/food if applicable, clean up room, start transcription/notes.*

## Appendix C: MTurk Experiment Questionnaire

You are invited to participate in a research study, “Millennial Perceptions of Advertising.” The goal of the study is to examine millennial perceptions of advertising. In this study, you will be asked to answer a series of survey questions after looking at some print advertisements. Your participation could help develop a greater understanding of the tactics advertisers use to reach their audiences.

In order to participate in this study, you must be age 18–30 and a United States resident. Your participation is voluntary. You may exit out of the survey at any point in time without penalty or loss of benefits to which you are entitled.

The entire study should take no longer than 15 minutes. In exchange for your participation, you will receive \$1.00 through your MTurk account upon completing the survey. If you have any questions or comments regarding this research project, please contact Aaron Franco (email: [ajfmd2@mail.missouri.edu](mailto:ajfmd2@mail.missouri.edu)). If you have any questions or concerns regarding your rights as a study participant, or are dissatisfied with any aspect of this study, you may contact, anonymously if you wish, the University of Missouri Campus Institutional Review Board located in 483 McReynolds Hall, University of Missouri, Columbia, MO 65211 (phone: 573-882-9585).

**Benefits and Risks of being in the Study:** The risk in participating in this study is no greater than what would be expected in a daily conversation about similar topics and there should be no potential risk in participating.

**Privacy and Confidentiality:** No identifying information will be included on any of the answers that you provide, which means your responses will be anonymous. If this research is published, no information that would identify you will be included since your name is in no way linked to your responses.

By continuing through the survey you are giving your informed consent to participate and you are stating that you are a U.S. resident age 18–30. If you wish to participate, please indicate so below. If you do not give your consent to participate, please exit out of this window.

Thank you.

[IRB STAMP]

Do you consent to participate?

Yes

No

If yes:

“You will now be shown three print advertisements for different companies. Following each ad will be a series of questions asking your thoughts about it.

On the following page you will view the first print ad.  
When you are ready, please click ‘continue.’”

***Show brand 1 ad (random selection from high ethics, low ethics, or control).***

**Attitude toward the brand (MacInnis & Park, 1991)**

1. The brand in the advertisement I just viewed is...  
1. Bad \_\_\_\_\_ 7. Good
2. The brand in the advertisement I just viewed is...  
1. Not at all likable \_\_\_\_\_ 7. Likable
3. The brand in the advertisement I just viewed is...  
1. Unfavorable \_\_\_\_\_ 7. Favorable
4. The brand in the advertisement I just viewed is...  
1. Unappealing \_\_\_\_\_ 7. Appealing

**Perceived ethics of brand Consumer Perceived Ethicality (Brunk, 2012)**

5. This brand respects moral norms.  
1. Strongly disagree \_\_\_\_\_ 5. Strongly agree
6. This brand always adheres to the law.  
1. Strongly disagree \_\_\_\_\_ 5. Strongly agree
7. This is a socially responsible brand.  
1. Strongly disagree \_\_\_\_\_ 5. Strongly agree
8. This is a good brand.  
1. Strongly disagree \_\_\_\_\_ 5. Strongly agree

**Attitude toward the ad (LaTour & Henthorne, 1994)**

9. This ad was irritating.  
1. Strongly disagree \_\_\_\_\_ 5. Strongly agree
10. This ad was good.  
1. Strongly disagree \_\_\_\_\_ 5. Strongly agree
11. This ad was informative.  
1. Strongly disagree \_\_\_\_\_ 5. Strongly agree

12. This ad was offensive.  
1. Strongly disagree \_\_\_\_\_ 5. Strongly agree

***Perceived ethics of ad Multidimensional Ethics Scale (Reidenbach & Robin, 1990)***

13. This ad was...  
1. Just \_\_\_\_\_ 7. Unjust
14. This ad was...  
1. Acceptable to my family \_\_\_\_\_ 7. Unacceptable to my family
15. This ad was...  
1. Fair \_\_\_\_\_ 7. Unfair
16. This ad was...  
1. Morally right \_\_\_\_\_ 7. Morally wrong
17. This ad was...  
1. Traditionally acceptable \_\_\_\_\_ 7. Traditionally unacceptable

***Purchase intent***

18. The next time this product is purchased, would you buy this brand?  
1. Definitely not \_\_\_\_\_ 7. Definitely

“On the following page you will view the next print ad.  
When you are ready, please click ‘continue.’”

***Repeat questions 1–18 for brand 2 ad (18 questions).***

“On the following page you will view the next print ad.  
When you are ready, please click ‘continue.’”  
(questions 19–36)

***Repeat questions 1–18 for brand 3 ad (18 questions).***

“Next you will be asked about your ethical beliefs.  
When you are ready, please click ‘continue.’”  
(questions 37–54)

***Ethics Position Questionnaire (Forsyth, 1980), abridged per Davis, Andersen, & Curtis (2001).***

“Please indicate the extent to which you agree with each statement using a 9-point scale with 1 being ‘completely disagree’ and 9 being ‘completely agree.’”

55. People should make certain that their actions never intentionally harm another even to a small degree.  
1. Completely disagree \_\_\_\_\_ 9. Completely agree
56. Risks to another should never be tolerated, irrespective of how small the risks might be.  
1. Completely disagree \_\_\_\_\_ 9. Completely agree
57. The existence of potential harm to others is always wrong, irrespective of the benefits to be gained.  
1. Completely disagree \_\_\_\_\_ 9. Completely agree
58. One should never psychologically or physically harm another person.  
1. Completely disagree \_\_\_\_\_ 9. Completely agree
59. One should not perform an action which might in any way threaten the dignity and welfare of another individual.  
1. Completely disagree \_\_\_\_\_ 9. Completely agree
60. If an action could harm an innocent other, then it should not be done.  
1. Completely disagree \_\_\_\_\_ 9. Completely agree
61. What is ethical varies from one situation and society to another.  
1. Completely disagree \_\_\_\_\_ 9. Completely agree
62. Moral standards should be seen as being individualistic; what one person considers to be moral may be judged to be immoral by another person.  
1. Completely disagree \_\_\_\_\_ 9. Completely agree
63. Different types of morality cannot be compared as to “rightness.”  
1. Completely disagree \_\_\_\_\_ 9. Completely agree
64. Questions of what is ethical for everyone can never be resolved since what is moral or immoral is up to the individual.  
1. Completely disagree \_\_\_\_\_ 9. Completely agree
65. Moral standards are simply personal rules that indicate how a person should behave, and are not to be applied in making judgments of others.  
1. Completely disagree \_\_\_\_\_ 9. Completely agree
66. Ethical considerations in interpersonal relations are so complex that individuals should be allowed to formulate their own individual codes.  
1. Completely disagree \_\_\_\_\_ 9. Completely agree

67. Rigidly codifying an ethical position that prevents certain types of actions could stand in the way of better human relations and adjustment.  
1. Completely disagree \_\_\_\_\_ 9. Completely agree
68. No rule concerning lying can be formulated; whether a lie is permissible or not permissible totally depends upon the situation.  
1. Completely disagree \_\_\_\_\_ 9. Completely agree
69. Whether a lie is judged to be moral or immoral depends upon the circumstances surrounding the action.  
1. Completely disagree \_\_\_\_\_ 9. Completely agree

**Demographic info**

70. What is your gender? \_\_\_\_\_
71. What is your age? \_\_\_\_\_
72. What is your ethnicity?  
1. White  
2. Hispanic or Latino  
3. Black or African American  
4. Native American or American Indian  
5. Asian / Pacific Islander  
6. Other \_\_\_\_\_
73. What is the highest level of education you have completed?  
1. Some high school  
2. High school graduate  
3. Some college  
4. Trade/technical/vocational training  
5. College graduate  
6. Some postgraduate work  
7. Master's degree  
8. Doctorate
74. What is your annual income range?  
1. Less than \$20,000  
2. \$20,000 – \$39,999  
3. \$40,000 – \$59,999  
4. \$60,000 – \$79,999  
5. \$80,000 or more
75. What is your zipcode? \_\_\_\_\_

**Note: Each ad has 18 questions, so total number in survey is 75 questions.**