The Effect of Consumer Testimonials and Disclosures on Ad Communication for a Die

The Effect of Consumer Testimonials and Disclosures on Ad Communication for a Dietary Supplement

Background

A consumer survey was conducted to examine the communication effects of a promotional booklet for a dietary supplement. The booklet consisted entirely of three pages of consumer testimonials, primarily from senior citizens, touting the product's efficacy for treating various diseases and conditions.

Research Questions

- ! Do testimonials communicate product efficacy?
- ! Do testimonials communicate typicality?
- ! Do disclosures qualify claims conveyed by testimonial ads?
- ! Does the disclosure language make a difference in qualifying claims conveyed by testimonial ads?
- ! Do consumers notice prominent disclosures in testimonial ads?

Methodology

The study used a mall-intercept design and was conducted in seven geographically diverse shopping malls. The study sample consisted of 200 dietary supplement users who reported suffering from breathing problems, low energy or chronic pain. The sample was half male and half female. Eighty percent of respondents were 60 years of age or older, which was the primary target audience for the dietary suthodology

<u>Long disclosure</u>: "DISCLAIMER: These testimonials do not imply that similar results will happen with your use of our products. These testimonials are not intended to recommend any supplement as a drug, as a diagnosis for specific diseases or conditions, nor as a product to eliminate diseases or other medical conditions or complications. We make no medical claims as to the benefits of any of our products to improve medical conditions." (hereafter "long disclosure") (group 3)

<u>Shorter version of long disclosure</u>: "NOTICE: These testimonials do not imply that similar results will happen with your use of our products." (hereafter "short disclosure") (group 4)

<u>"Stronger" disclosure # 1</u>: "NOTICE: These testimonials are based on the experiences of a few people. You are not likely to have similar results." (hereafter "few people") (group 5)

"Stronger" disclosure # 2: "NOTICE: These testimonials do not prove our product works. You should not expect to have similar results." (hereafter "doesn't prove") (group 6)

The long disclosure took up four lines of text and due to its length it was more than twice as large as the other three disclosures, each of which took up two lines of text.

Results

1. Ad Claim Recall

Respondents were first asked two open-ended questions. They were asked what the main idea was and what other ideas, if any, were communicated by the booklet.

Table 1 shows a tabulation of combined responses to these two questions.

Table 1
Ad Claim Recall

	No	No	Long	Short	''Few	"Doesn't
	Booklet	Disclosure	Disclosure	Disclosure	People"	Prove"
	(1)	(2)	(3)	(4)	(5)	(6)
# of	34	34	29	34	35	34
Respondents						
Recalled a	0%	32.4%	51.7%	47.1%	40.0%	32.4%
Breathing						
Claim						
Recalled an	14.7%	58.8%	69%	61.8%	68.6%	61.8%
Energy Claim						
Recalled a Pain	5.9%	38.2%	48.3%	50.0%	34.3%	29.4%
Claim						
Recalled a	17.6%	61.8%	82.8%	70.6%	82.9%	67.6%
Breathing,						
Energy, or Pain						
Claim						
Recalled	0%	0%	0%	2.9%	0%	0%
Disclosure						

These results show:

• A substantial number of respondents (62% to 83%) who were exposed to the cover letter and testimonial booklet (groups 2 - 6) recalled a breathing, energy, or pain relief claim.¹

Additional respondents said that the product cures or improves many or all conditions or diseases, without mentioning a specific health condition or disease.

There were no significant differences between the "no disclosure" group (group 2) and any of the disclosure groups (groups 3-6) in the recall of breathing, energy or pain relief claims. (continued...)

- Virtually none of the respondents in the "no booklet" condition (group 1), who were exposed to the cover letter only, reported that the letter communicated breathing or pain relief claims. However, 15% of "no booklet" condition respondents indicated that the cover letter communicated an energy claim. These respondents may associate improved energy with the consumption of any dietary supplement.
- Of the 132 respondents who were exposed to a disclosure (groups 3-6), only one respondent mentioned the disclosure in response to the two open-ended questions.

2. Assessment of Efficacy

Next, respondents were read a list of statements and were asked whether each statement had or had not appeared in or had been implied by the materials they had read. Respondents were also given the option to say "don't know" or "not sure."

The six statements read to respondents concerned whether the advertised product reduces breathing problems, reduces thyroid problems, increases energy levels, reduces hair loss, relieves chronic or persistent pain, and reduces dry skin problems. The order for the six statements was rotated. Three of these statements (breathing, energy, and pain relief) focused on problems that were discussed in the testimonials, while the other three statements (thyroid, hair loss, and dry skin) focused on problems that were not discussed in the testimonials. These latter statements served as decoys.

Table 2a shows the percentage of respondents who said that the claims about breathing, energy, and pain were made in or implied by the materials they had read:

Table 2a Efficacy Assessment

	No Booklet (1)	No Disclosure (2)	Long Disclosure (3)	Short Disclosure (4)	"Few People" (5)	"Doesn't Prove" (6)
Breathing	14.7%	85.3%	89.7%	85.3%	88.6%	79.4%
Energy	38.2%	88.2%	100%	88.2%	100%	91.2%
Pain	17.6%	88.2%	86.2%	88.2%	77.1%	79.4%

¹(...continued)

However, when considering the recall of <u>either</u> a breathing, energy, or pain relief claim, one of the comparisons between the "no disclosure" group and a disclosure group was statistically significant --respondents in the "few people" group showed a higher recall than did respondents in the "no disclosure" group (83% vs. 62%, p<.05).

These results show:

- In the "booklet" conditions (groups 2 6), more than three-quarters of the respondents agreed that a breathing, energy, or pain relief claim was made in or was implied by the promotional materials.
- In the "no booklet" condition (group 1), from 15%-38% of the respondents agreed that a breathing, energy, or pain relief claim was made in or was implied by the promotional materials. The highest percentage (38%) was associated with the energy claim. As suggested earlier, respondents may associate improved energy with taking any dietary supplement.
- None of the disclosures (groups 3 6) significantly reduced the percentage of respondents agreeing that a breathing, energy, or pain relief claim was made in or was implied by the promotional materials.

To determine an "adjusted" measure of the proportion of respondents agreeing that a breathing, energy, or pain relief claim was made in or was implied by the promotional materials, an adjustment was made to account for "yea" saying or because of prior beliefs that may be associated with all dietary supplements. Responses to the "no booklet" condition, which had no specific health claims, were subtracted from responses to the "booklet" conditions to make these adjustments. Table 2b shows the "adjusted" responses:

Table 2b Efficacy Assessment (Adjusted)

	No Disclosure (2)	Long Disclosure (3)	Short Disclosure (4)	"Few People" (5)	"Doesn't Prove" (6)
Breathing	70.6%	75.0%	70.6%	73.9%	64.7%
Energy	50.0%	61.8%	50.0%	61.8%	53.0%
Pain	70.6%	68.6%	70.6%	59.5%	61.8%

These results show:

- After adjustment, between 50% and 71% of the respondents in the "no disclosure" condition (group 2) agreed that a breathing, energy, or pain relief claim was made in or was implied by the promotional materials.
- None of the disclosures (groups 3 6) significantly reduced the percentage of respondents agreeing that a breathing, energy, or pain relief claim was made in or was implied by the promotional materials.

3. Assessment of Typicality

Respondents who agreed that the advertised product reduces breathing problems, reduces pain, or increases energy levels were asked a follow-up question to assess typicality. Respondents were asked whether the dietary supplement improves the condition for "all," "almost all," "most," "about half," "some," "very few," or "none" of the people who try it.

Table 3a shows the percentage of respondents who responded with all, almost all, most, or about half:

Table 3a*
Typicality Assessment

	No Booklet (1)	No Disclosure (2)	Long Disclosure (3)	Short Disclosure (4)	"Few People" (5)	"Doesn't Prove" (6)
Breathing	11.8%	70.6%	75.8%	70.6%	74.3%	70.6%
Energy	29.4%	70.6%	96.5%	82.3%	85.7%	73.5%
Pain	11.8%	79.4%	82.3%	76.5%	71.4%	67.6%

^{*}Percentages are computed based on all respondents, not just those who were asked this question.

These results show:

- In the "booklet" conditions (groups 2 6), two-thirds or more of the respondents felt that the dietary supplement would reduce breathing problems, increase energy levels, or relieve pain in all, almost all, most, or about half of the people who try it.
- In the "no booklet" condition (group 1), from 10% to 29% of respondents felt that the dietary supplement would reduce breathing problems, increase energy levels, or relieve pain in all, almost all, most, or about half of the people who try it. As with communication of product efficacy, the highest percentage (29%) was associated with the energy claim.
- None of the disclosures (groups 3-6) significantly reduced the percentage of respondents who felt that the dietary supplement would reduce breathing problems, increase energy levels, or relieve pain in all, almost all, most, or about half of the people who try it.

To determine an "adjusted" proportion of respondents who felt that the dietary supplement would reduce breathing problems, increase energy levels, and relieve pain in all, almost all, most, or about half of the people who try, an adjustment was made to account for "yea" saying or because of prior beliefs that may be associated with all dietary supplements. Table 3b shows the "adjusted" responses:

Table 3b
Typicality Assessment (Adjusted)

	No Disclosure (2)	Long Disclosure (3)	Short Disclosure (4)	"Few People" (5)	"Doesn't Prove" (6)
Breathing	58.8%	64.0%	58.8%	62.5%	58.8%
Energy	41.2%	67.1%	52.9%	56.3%	44.1%
Pain	67.6%	70.5%	64.7%	59.6%	55.8%

These results show:

- After adjustment, more than half of the respondents in the "no disclosure" condition (group 2) felt that the dietary supplement would reduce breathing problems or relieve pain and about two fifths of the respondents felt that the dietary supplement would increase energy levels in all, almost all, most, or about half of the people who try it.
- None of the disclosures (groups 3-6) significantly reduced the percentage of respondents who felt that the dietary supplement would reduce breathing problems, increase energy levels, or relieve pain in all, almost all, most, or about half of the people who try it.

4. Recall of Disclosure

Finally, respondents were asked whether there was a disclaimer or notice that appeared in the booklet they had just read. Respondents who said "yes" were then asked what the disclaimer said or suggested.

Responses are shown in Table 4:

Table 4
Disclosure Recall

	No Booklet (1)	No Disclosure (2)	Long Disclosure (3)	Short Disclosure (4)	"Few People" (5)	"Doesn't Prove" (6)
Respondents saying there was a disclosure	23.5%2	5.9%	72.4%	44.1%	45.7%	29.4%
"Correct" Recall of Disclosure ³	0%	0%	48.3%	35.3%	34.3%	26.5%

These results show:

- Percentage of respondents saying that there was a disclosure was significantly higher in the "long disclosure" condition (72%) as compared to the other three disclosure conditions (44%, 46%, and 29%).
- Between 27% to 48% of the respondents who were exposed to a disclosure (groups 3 6) correctly recalled the disclosure.
- Although the "long disclosure" produced the highest correct recall, there were no statistically significant differences in the recall of the four disclosure conditions.

Nearly all of the respondents in the "no booklet" condition who said there was a disclosure were referring to the money back guarantee that was included in the cover letter.

Recall of disclosure was coded as "correct" if respondents mentioned that the results may not apply to everybody, that testimonials do not prove the product works, or that the manufacturer makes no medical claims in the booklet.

Summary

The results of the study indicate that:

- ! In the absence of a disclosure, consumer testimonials communicated efficacy claims to a substantial number (over half) of consumers.
- ! In the absence of a disclosure, consumer testimonials communicated typicality claims to a substantial number (almost half) of consumers.
- ! Disclosures failed to reduce significantly communication of product efficacy claims. Also, disclosures were ineffective in qualifying typicality claims.
- ! Over two-thirds of the respondents exposed to the "long disclosure" reported noticing the disclosure. By contrast, less than half of the respondents exposed to one of the other three disclosures reported noticing them.
- ! About 1/4 to ½ of consumers recalled correctly the main idea or ideas mentioned in the disclosures.

Discussion

These results suggest that multiple testimonials about a product effectively communicate efficacy claims, i.e., that the product works for the uses discussed in the testimonials. Testimonials also appear to communicate that the product will work for all, most, or about half of the people who use it. Finally, the study suggests that prominent disclosures in ads containing multiple testimonials may be ineffective in limiting the communication of efficacy and typicality