IMPLIED THIRD-PARTY ENDORSEMENT AND SOURCE CREDIBILITY IN PUBLIC

RELATIONS: INVESTIGATING THE MULTIPLIER EFFECT AND EDITORIAL,

ADVERTISING AND ONLINE MEDIA EQUIVALENCIES

IN BUSINESS COMMUNICATION

By

PAULINE A. HOWES

(Under the Direction of Lynne M. Sallot)

ABSTRACT

One of the ongoing challenges facing public relations practitioners and scholars is

measuring and validating the communications value of public relations activities over advertising

or other controlled communications. This study investigated one commonly mentioned

advantage of public relations, the implied third-party endorsement effect of news coverage, in

the context of business-related news conveyed to a business audience.

Qualitative research included interviews with 10 public relations practitioners and 10

business people on their beliefs and attitudes toward media, the implied third-party endorsement

effect, and the use of media in their work. The quantitative research involved an experiment

with 514 subjects, who were exposed to one of 14 treatments reflecting seven different types of

independent or controlled media channels and quoting either an independent or company

spokesperson. The independent media channels included newspaper article online, independent

research article online with spokesperson photograph, independent research article without

spokesperson photograph, and financial message board posting. The company-controlled media channels included a press release posted on a company Web site, advertorial online, and a customer testimonial posted on company message board, quoting either an independent or company-controlled spokesperson.

The experiment tested research hypotheses predicting the effects of media channel, spokesperson, and media channel and spokesperson in combination on dependent variable measures related to media credibility and spokesperson credibility, attitude toward a company and product, and behavioral intention (purchase intent for a company's stock and product). A covariate, business expertise, was also used to explore possible effects. Findings of the experiment showed limited support for the presence and positive impact of the implied third-party endorsement effect. Only the press release on a company Web site was considered significantly less credible than any other media channel used in the study. In general, those with a low-level of business expertise found media and spokespersons as more credible than those with a high-level of business expertise.

INDEX WORDS: Public relations; Third-party endorsement; Source credibility; Media
                credibility; Spokesperson credibility; Business communication

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PAULINE A. HOWES

B.A., The University of North Carolina, 1977

M.B.A., Emory University, 2005

A Dissertation Submitted to the Graduate Faculty of The University of Georgia in Partial

Fulfillment of the Requirements for the Degree

DOCTOR OF PHILOSOPHY

ATHENS, GEORGIA

2010

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PAULINE A. HOWES

Major Professor: Lynne M. Sallot

Committee: Barry A. Hollander
                    Ruthann W. Lariscy
                    Bryan H. Reber
                    Jennifer A. Samp

ACKNOWLEDGEMENTS

At the top of my "acknowledgements" is, without question, Dr. Lynne M. Sallot, who helped me tremendously in the conceptualization, execution and analysis of this study. It's no overstatement to say that I could not have successfully negotiated this journey without her assistance and support. Thank you, Dr. Sallot, for your time and patience, as well as your generosity in sharing your knowledge and experience with me. I have learned so much from you, not just about academic research, but also about the teaching profession and how to take real-world experience and translate it into valuable educational experiences for students.

I also greatly appreciate the support of my dissertation committee: Dr. Barry A. Hollander, Dr. Ruthann W. Lariscy, Dr. Bryan H. Reber and Dr. Jennifer A. Samp. Their contributions have strengthened this work and advanced my growth as a researcher.

Across the board, I have enjoyed my association with the people at Grady College of Journalism and Mass Communication over the past four years. Everything that Graduate Program Director Dr. Jeffrey Springston told me about graduate school and the academic profession (all good things!) proved accurate. I also am grateful for the guidance and support of Advertising and Public Relations Chair Dr. Karen King. I offer an added note of appreciation to their assistants, Debbie Sickles and Donna LeBlond, for their good cheer, words of support and willingness to help me whenever I asked. Research for this study was partly funded by a grant from the Paul Broun Fund of Grady College.

I gained valuable insights from interviews that I conducted with public relations practitioners and business people, and I thank them for sharing their perspectives with me. I also

thank my friends and colleagues at the University of Georgia, Georgia State University and Emory University who allowed me into their classrooms to administer my research survey, and I thank all those who took part in this study. A special thank you goes to Joe LeCompte of PMG, Inc. for allowing me to use the company in my study and providing words of encouragement.

My decision to pursue an academic career and doctoral degree is all the "fault" of Dr. Molly Epstein of the Goizueta Business School at Emory University. She graciously allowed me to be her teaching assistant while I studied for my MBA and she inspired me to seek a mid-life career change, moving from the corporate world to the college classroom. She's been a constant cheerleader and a wonderful friend. Additionally, I've greatly appreciated the support of Dr. Niki Graves and Deborah Valentine, also friends and colleague at the Goizueta Business School.

Acknowledgements of a furry kind go to two feline friends, Dr. Sallot's Tosh and Tula, who provided a dash of much-appreciated entertainment relief during long sessions of number crunching and data analysis. And I give a special tummy rub to my own Ally girl for being a great companion since her puppy days and putting up with being home alone for long hours while I commuted to class in Athens.

I also want to thank my family for their love and support: my sister Brenda Barlek, her husband, Bill, and my nephews, Mark and Scott, and my sister Amy Burgundy and her husband, Dan.

Finally, this dissertation is dedicated to my parents, Edward A. Howes and Angela Howes, who have always encouraged me in everything that I have done, personally, professionally and academically. Mom and Dad, I love you both very much and appreciate your constant love and support.

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CHAPTER 1

INTRODUCTION

<u>Purpose of Study</u>

One of the ongoing challenges facing public relations practitioners and scholars is measuring and validating the communications value of public relations activities (Cameron, Wilcox, Reber, & Shin, 2008). The need to affirm public relations' value emanates from both the professional and scholarly domains, including the pragmatic need to show results and justify expenditures to public relations clients as well as the academic requirement for quantitative rigor in research. While various approaches to defining and measuring the value of public relations have emerged over time, the dilemma remains for the field. The emergence of new forms of communication utilizing electronic media adds another dimension to evaluating the role and value of media-published information (Cameron et al., 2008; Wang & Nelson, 2006).

Beyond the statistical tabulations, a potentially more powerful – yet more difficult to quantify – value of public relations is the enhanced credibility of a message delivered through the media (Harris, 1998). Hallahan (1999b) observed, "Conventional wisdom in the public relations practice suggests that the superiority of news is a property inherent in editorial material, the implied endorsement carried in editorial coverage of a product, service, or cause" (p. 295). He proposed that perceived differences between news and advertising are more a function of people's preconceived beliefs about type of media, or content class, rather than any intrinsic quality of news over advertising.

Michelson and Stacks (2007) contended "it has long been held by public relations practitioners that public relations media placements have a relative value advantage over advertising when the message is employed by both or similar" (p. 3). This implied third-party endorsement effect is considered advantageous because information conveyed through the media filter is thought to be more fact-based and less-biased than information provided in an advertisement that is prepared and funded by a self-interested party (Bivins, 2008; Grunig & Grunig, 2000; Guth & Marsh, 2007; Harris, 1998); Smith, 2009.)

To date, studies of the "implied third-party endorsement effect" have concentrated on comparing perception and impact of information conveyed through published news stories and advertisements (Cameron, 1994; Hallahan, 1999a; Hallahan, 1999b; Michaelson & Stacks, 2007; Stacks & Michaelson, 2009). These studies' results provide little-to-no support for the conventional wisdom among public relations professionals that media coverage has value to organizations (Hallahan, 1999a; Hallahan, 1999b). Yet the widely held belief persists that published or broadcast information takes on added value because it has been conveyed by an independent third party. Public research on the implied third-party endorsement effect almost exclusively uses a consumer product as the content subject matter in comparing the impact of editorial coverage and advertising (Archibald, Haulman, Moody, & Carlyle, 1983).

<u>Contribution to Public Relations Research</u>

This study adds to the existing body of literature by analyzing the implied third-party endorsement effect in the context of corporate business information, rather than a commercial consumer product. Using an experimental method, this study also considers the potential effect of spokespersons on perceived credibility of information by looking at the impact of a supplier-company source and a customer-company source. In addition to contributing to the academic

body of knowledge for public relations, the intent of this research is to inform public relations practitioners in the field.

<div align="center">Summary of Dissertation Contents</div>

Chapter 2 reviews literature that discusses theory and models involving implied third-party endorsement effect and information source credibility in the context of persuasion. This includes research that defines, operationalizes and tests for the presence and impact of the implied third-party endorsement effect of mediated information. Chapter 3 offers a synthesis and resulting hypotheses. Chapter 4 describes the methodology of the study. Chapter 5 presents qualitative research results and Chapter 6 the quantitative results. Chapter 7 provides an overall discussion of the findings, conclusions and thoughts on future research.

CHAPTER 2

LITERATURE REVIEW

<u>Overview</u>

This review considers two general streams of communication literature, exploring

implied third-party effect and source credibility. These two bodies of study provide distinct, yet

related, perspectives on the way audiences receive and process information and how they are

influenced by the source of that information. In addition, this literature review examines

research on persuasion and attitudinal and behavioral change.

The differences between public relations and advertising are discussed in both fields'

literature (Cameron, Wilcox, Reber, & Shin, 2008; Lane, King, & Russell, 2005). Among those

distinctions, the most obvious is that the publicity dimension of public relations entails

conveying information through news articles or other non-paid media formats, while advertising

specifically involves the purchase of space or time to place a message. Other differences include

public relations' focus on both internal and external audiences and advertising's focus on

external audiences; public relations' limited control over the final message appearing in the mass

media and advertising's "considerable control over the final message" (Cameron et al., p. 11);

and, public relations' use of a variety of communication vehicles beyond mass media, such as

news releases, brochures, speeches and special events, and advertising's primary reliance on the

mass media.

While different in many respects, public relations and advertising share some common

ground. Delia (1987) characterized public relations as an extension of advertising in describing

the field's emergence during the twentieth century, "… after 1938 public relations – the application of advertising to corporate identity – became an increasingly visible topic of commentary and research" (p. 50).

Advertising scholars Lane et al. (2005) said public relations and advertising both involve communicating brand messages to audiences. Yet they acknowledged public relations' perceived credibility as a point of distinction: "Because public relations is usually seen as news, it has credibility that is lacking in most advertising (p. 36).

Delia (1987) portrayed the communication model as described by various communication scholars as "source/message/channel/destination" (p. 62). Smith, Lasswell, and Casey (1946) captured the model in a single question: "If *who* says *what*, through what *channels* (media) of communication, to *whom*, what will be in the results?" (p. 121).

The linkage between communication and influence on behaviors of others was expressed by Hovland (in Schramm, 1948) in defining communication as "the process by which an individual (communicator) transmits stimuli (usually verbal symbols) to modify the behavior of other individuals (communicatees)" (p. 59).

The presence and role of the news media in the flow of information gained increasing recognition beginning in the 1950s (Delia, 1987). News moved "from event to the media institution and through them to the public" with media described as "'gatekeepers' who decide which stories are forwarded" (p. 68).

<div align="center">Implied Third-Party Endorsement Effect</div>

Defining Third-Party Endorsement

The implied third-party endorsement effect of published or broadcast information has been studied from multiple perspectives over time. The definition and operationalization of the

concept have evolved as researchers continue to study the elusive, yet often perceived, benefits of media coverage generated through public relations activities.

Story newsworthiness and enhanced credibility were key elements in Guth and Marsh's (2007) definition of third-party endorsement as:

Verification of a story's newsworthiness that the news media provide when they publish or broadcast the story. Appearance in an uncontrolled news medium lends credibility to a story, because the media are neither the sender nor the receiver but an independent third party (p. 585).

Another definition (Smith, 2009) emphasized credibility and lack of bias as the benefits of third-party endorsement calling it a "concept referring to the added credibility that comes with the endorsement of an outside and unbiased agent, such as a reporter or editor (p. 410).

Public relations practitioners place an added value to information that is conveyed through editorial (non-paid) news coverage versus a paid advertising placement (Hallahan, 1999a; Hallahan, 1999b). This value is often attributed to an audience's perception of greater credibility because the information provider, the media, is not directly linked to the originating source. The originating source is seen to have a vested interest in the information and its effect on an audience; therefore, the information may reflect bias and carry diminished credibility (Grunig & Grunig, 2000)

Use of Sources

The increased use of "expert sources" in news stories was documented in Soley's (1994) content analysis comparing stories in the *New York Times*, *Los Angeles Times* and *Washington Post* in 1978 and 1990. The number of expert sources cited in 1990 was almost double the

number cited in 1978. This trend of expanded inclusion of "experts" in news stories seems to reflect journalists' acceptance of these third-party sources as credible and reliable.

An extensive review of literature on the relationship between journalists and public relations practitioners by Cameron, Sallot, and Curtin (1996) consistently showed that journalists perceived news as superior to public relations materials and ascribed low levels of credibility to public relations practitioners. In sum, "journalists viewed public relations practitioners as obstructionists and their news releases as publicity disguised as news" (p. 117). Examining public relations' activities and their impact on news production, Cameron et al. (1996) noted that "a limited number of studies have examined how sources in news channels affect society" (p. 137).

Conceptual Roots of Implied Third-Party Endorsement Effect

Belief in the implied third-party endorsement effect of media coverage has its roots in early theoretical studies that examined the impact and role of media on society (Hallahan, 1999a, 1999b). The perceived power of the media to set agendas and influence opinion was transferred to a comparison between news content and advertising. Later studies based on limited-effects theories raised doubts about the influential impact of the media on the actions of individuals (Baran & Davis, 2006).

Similarly, public relations scholars and practitioners have questioned whether the benefit of mediated information actually exists (Cameron, 1994; Hallahan, 1999a, 1999b). In Hallahan's (1999b) aptly titled article, "No Virginia, it's not true what they say about publicity's 'Implied Third-Party Endorsement' effect," a review and analysis of 11 studies comparing the effects of news and advertising yielded only mild overall support for the concept of third-party added value for news articles. These studies will be reviewed in detail later in this dissertation.

Measuring Impact of PR-Generated Media Coverage

Various means of quantifiable measures exist to capture the impact of a PR-generated

story in the media. Among the most common are counts of number of press clippings or

broadcast stories, cumulative totals of column inches or air time and/or audience reach based on

total circulation or number of viewers.

Often "worth" is determined by comparing a mediated story (i.e., an article in a

newspaper or magazine or a radio or television news story) to a paid-print advertisement or a

radio or television commercial. The monetary value of print space or airtime garnered through

PR-generated media coverage is based on what that space or time would cost as advertising.

Advertising equivalency of media coverage has been calculated by some in the public relations

profession by multiplying the advertising value by a factor of, for example, three, five or seven.

The enhanced value achieved by the multiplier is intended to represent the value presented the

news media's stronger credibility compared to advertising (Grunig & Grunig, 2000).

With the advent of online media, the realm of quantifying worth now includes such

measures as number of visitors to a Web site or number of "clicks" on an advertisement or link.

More complex measures involve content analysis to determine whether specific desired

messages were conveyed in the media coverage, how often the messages appeared and the

overall tone (favorable, unfavorable or neutral) of the media coverage.

Studies on Implied Third-Party Endorsement and Media Credibility

Despite keen interest within the public relations field to confirm existence and measure

impact of the implied third-party endorsement effect, research and theoretical analysis are

relatively limited in scope. Those studying the effect have used a number of different terms and

sometimes slightly different definitions for the proposed communication impact of news

compared to advertising. Use of several different experimental approaches reflects the challenges faced by researchers to develop an effective instrument to accurately capture data for analysis of this phenomenon.

Most studies have shown no or extremely limited implied third-party endorsement effects (Cameron, 1994; Hallahan, 1999a, 1999b). Additionally, surveys show declining trust and confidence in the news media (Geary, 2005; Pew Research Center for the People & the Press, 2009). In a 2009 Pew Research Center survey of the American public, only 29% said that the news media is accurate in reporting stories and 63% said that news stories are often inaccurate (Pew Research Center for the People & the Press, 2009). This assessment of news media accuracy represented a two-decade low in Pew Research Center surveys of media credibility. Given these two observations on earlier studies and current media credibility, why might study of news coverage of a company in the financial media merit consideration?

While analyses of third-party media effects on audience perception of credibility, and ultimately, persuasiveness, have contributed to the literature, areas of potential study remain unexplored. Research on implied third-party media effects, to date, focus primarily on marketing or product-related advertising aimed at a general consumer audience. In addition, the experimental designs in some studies do not necessarily accurately reflect the way information is conveyed and used in the real world. For example, Cameron (1994) noted that comparing an advertorial (information presented as an article, but appearing in space paid for as an advertisement) to a news story about an automobile is not typical usage.

Some public surveys, such as the more politically oriented Pew Research Center study (Pew Research Center for the People & the Press, 2009), show declining perceived credibility of news media. Other research supports perceived credibility for news editorial material (Hallahan,

1999a). Finally, advertising messages carry the negative perception of being less credible than news stories because they are created and paid for by a sponsoring company with a vested interest in selling a particular product or service (Straughan & Zhao, 1996; Keim & Zeithame, 1981).

Cameron Experiment: Recall Benefited by Editorial Article vs. Advertising

Cameron (1994) conducted an experiment, based on information processing, to test whether a third-party endorsement effect made editorial copy (news article) more memorable than an advertorial (paid advertisement designed to appear as a news article) containing the same information. Recall of information about a featured product, the Mazda automobile, was slightly higher among study participants who received the information in a newspaper article than those who read the material in an advertorial format.

The experiment (Cameron, 1994) involved 42 participants, including 26 undergraduate students and 16 non-student adults. All were randomly assigned to one of 16 booklets, each reflecting variations in test content (editorial copy or advertorial) and control factors such as placement on page, format and page order. Immediately after reading the booklet, participants answered questions designed to measure recognition memory and cued recall of the test material. A follow-up test took place two weeks later.

Results showed moderately higher levels of short- and long-term recognition memory for a message conveyed in editorial copy versus the same message in an advertorial (Cameron, 1994). This finding suggested the presence of a beneficial third-party endorsement effect for editorial copy. However, Cameron (1994) noted that "the effect is not profound and is restricted only to the more discerning reader" (p. 203).

Despite results that showed "moderate better recognition memory for editorial content" (Cameron, 1994, p. 185), Cameron tempered any broad generalization of this finding because the experiment used an advertorial format, rather than a product display advertisement designed with pictures and other graphic elements. Advertorials are generally considered more effective in promoting ideas or concepts than products or services (Lane et al., 2005). Along with the limited scope of the experiment, the relatively small sample size (N=42) and its student composition raises questions on the validity of the results within subjects.

Hallahan Research: Mixed Results on Third-Party Endorsement

In his investigation of the presence and impact of implied third-party endorsement effect, Hallahan (1999a) used the construct of content class to address the question of whether news is more effective than advertising. Content class, under the dual-processing model of information, refers to the context in which the message is presented (Chaiken, 1980, 1987; Petty & Cacioppo, 1986). In Hallahan's experiment (1999a), information was presented in two contexts, news and advertising. The 329 college students who participated in the study were randomly assigned to read four messages conveyed in a simulated magazine as news articles or advertisements. Afterwards, they filled out a questionnaire that assessed participants' views toward the materials.

Audiences do perceive differences between news and advertising content, based on statistically significant results of Hallahan's study (1999a, 1999b). The study revealed the largest gap between news and advertising on the credibility factor, especially in the dimension of trustworthiness (trustworthy/not trustworthy). Other items used to represent credibility were believable/not believable and accurate/not accurate). Smaller differences between news and advertising were detected for the utility factor (relevant/not relevant, useful/not useful, informative/not informative, involving/not involving, and interesting/not interesting).

Specifically regarding the implied third-party endorsement effect, however, Hallahan's (1999a, 1999b) results were somewhat mixed. Support for third-party endorsement was most strongly reflected in participants' responses regarding differences in writing news and advertising material; belief that news stories aren't trying to sell a product or service; and, positive information in a news article enhances perceived importance of a product. Nevertheless, other results showed people's skepticism about information conveyed in both news and advertising materials (Hallahan, 1999b). Despite their doubts about advertising, respondents indicated a slight preference for gaining product information from an advertisement over a news story; convenience and accessibility were seen as positive attributes of advertising.

Overall, Hallahan (1999b) concluded "there is little evidence to support unqualified claims made by professionals and perpetuated by some researchers that implied third-party endorsement is a viable explanation of any advantage enjoyed by news versus advertising in the processing of mediated information" (p. 345).

He moderated this repudiation of the implied-third party endorsement effect, however, citing study results indicating that people are "more positively predisposed to processing information in the form of news compared to advertising" (Hallahan, 1999b, p. 345). Findings of the study are explained not as evidence supporting implied third-party endorsement effects, but as a reflection of people's different perceptions of news and adverting and, consequently, a biased approach to processing information depending on the source (Hallahan, 1999b). He acknowledged "this advantage might be sufficient to give news an edge in certain cases" Hallahan, 1999b, p. 345). In one such situation, news containing weak arguments was as effective as news with strong arguments and advertising with strong arguments, which led

Hallahan (1999b) to propose that content class might elevate people's assessment of a message if it is conveyed in a news context.

Hallahan distinguished between implied third-party endorsement effect and the biases individuals may have toward one form of media or another. However, one could view a bias in favor of (or against) a news article or advertisement as a consequence of attitudes based on a perceived endorsement effect resulting from the editing and gatekeeping processes.

Hallahan (1999b) reviewed the traditional perspective of what he calls the "implied third-party endorsement" effect of publicity and proposes a redefinition that shifts the meaning from a media focus to an audience focus. He noted that "endorsement" connotes a conscious action by the media to indicate support or preference. The process of reporting, writing, editing and publishing or broadcasting news, however, is too complex to allow such specific and direct action by members of the media. Rather, audiences make inferences about information and may derive a perceived endorsement by the media.

The refocus of third-party effect on audience perception by Hallahan opened the concept to analysis using information processing theory: "…the effects commonly attributed to third-party endorsements by media can be explained in terms of biased processing. Such bias can be measured in the "cognitive, attitudinal, and conative responses elicited within audiences" (Hallahan, 1999b, p. 333).

In addition to his own experimental study, Hallahan (1999b) conducted a detailed review of 11 studies that compared the effectiveness of news and advertising. Overall, results of the studies indicated minimally qualified support for the presence of a positive third-party endorsement effect of news versus advertising. Hallahan (1999b) also administered a survey that showed people generally view news as more credible than advertising. News scored more

favorably than advertising in the categories of trustworthiness, believability and accuracy. News

fared slightly better than advertising in utility, rated as more relevant, informative, involving and

interesting. A summary of these studies is presented in Table 2.1.

Table 2.1

Summary of Hallahan's Review of Publicity v. Advertising Studies (Hallahan, 1999a)

Study	Independent Variables	Dependent Variables	Findings/Support for Third-Party Endorsement
Schwarz, Kumpf & Bussman (1983) N = 54 female German undergraduates 2x2 factorial	Journal review v. text for ad Explicit v. Implicit call for action	Behavioral intent: -- Read book -- Buy book	Yes
Anderson & Abbott (1985) N = 30 households Split field experiment	Two-minute infomercial v. 30-second TV spot for new bacon product	Recall Attitudes Purchase intent	Possible confound
Salmon, Reid, Pokryscznski & Willett (1985) N = 203 undergraduates 2x2 factorial	News v. ad Commercial (Pepsi) v. non-commercial (American Cancer Society Source)	Learning Attitude toward message/perceptions of bias Behavioral intent	Qualified
Hausknecht, Wilkinson & Prough (1989) N = 120 students	Ads v. 3 formats of advertorials for diet pills Demographic variables	Truthfulness Believability Product evaluations	Qualified
d'Astous & Hebert (1991) N = 29 students 2x2 factorial	Ads v. public reportage Products (condominiums v. automobiles	Recall Product attitude Source	Partial support (possible confound)

Hennessey & Anderson (1990) N = 165 students 2x2x2x2 factorial	Expert endorsement of new graduation requirement (university dean) v. no endorsement Argument strength Source	Attitudes Behavioral intent	Possible confound
Cameron (1994) N = 42 (26 undergraduates, 16 non-students) 2x2 factorial	Advertorial ads v. news stories with same content and format	Information gain immediately after exposure Information gain two weeks after exposure	Yes
Straughan, Bleske & Zhao (1994) N = 196 university students 2x2 factorial	News story v. ad (on pharmaceutical product) Commercial spokesperson v. noncommercial spokesperson	Message assessments Source assessments Behavioral intent	Qualified
Chaiken & Maheswaran (1994) N = 369 undergraduates 2x2x2 factorial	News (Consumer Reports) v. ad (pamphlet from KMart) on telephone answering machine Personal importance: high v. low Message quality: unambiguous v. ambiguous	Attitudes	Qualified

Chew, Slater & Kelley (1995) N = 20 2x2 within subjects	News v. ad (product messages) Product involvement Brand familiarity	Credibility Purchase intent	Qualified
Hallahan (1995) N = 329 undergraduates 2x2x2 mixed factorial	Content class: news v. ads Argument strength: strong v. weak Product involvement: (w/in subjects: high v. low)	Recall Number of cognitive thoughts Valence of cognitive thoughts Attitude toward message Attitude toward brand Purchase intent	Qualified

<u>Jo Study: News No More Believable Than Advertising</u>

A more recent study (Jo, 2004) approached the comparison of impact between news and advertising through analysis of content type (strong or weak argument) and product type (low-involvement or high-involvement). In this experiment, 160 undergraduate students were asked to read a randomly assigned booklet containing different types of product information presented either as a news article or advertising. High-involvement products included computers and printers and low-involvement products included cereals and dishwashing liquids. After reviewing the assigned booklet, each subject responded to a series of questions covering attitude toward the message and brand, purchase intention, and brand and attribute recall.

Jo (2004) found that news was not more believable than advertising. There were no significant differences in subjects' assessments of news or advertising in terms of message believability and attitude toward the brand. The study, however, did indicate that strong arguments had greater influence than weak arguments in news articles, while argument quality had no impact on advertising. Jo (2004) concluded that readers are more likely to pay greater attention to information conveyed in a news article than in an advertisement.

<u>Michaelson and Stacks Studies: News and Advertising of Equal Value</u>

Michaelson and Stacks conducted a series of studies (Michaelson & Stacks, 2004, 2007; Stacks & Michaelson, 2009) to explore the possible presence of what they termed a "multiplier effect" in public relations and advertising communication. By that, they assessed whether either form of communication possessed a value that could be quantified, or described, in terms of "multiple" relative to the other. In doing so, they examined the value of a media placement resulting from a public relations effort in relation to a paid advertisement when both contained similar messaging.

The term "multiplier effect" is commonly associated with measuring the value of public relations-generated media coverage when compared to advertising. Based on audience measurement, the multiplier is used to reflect an added value of public relations vs. advertising. However, there are different views on exactly what that added value is. Generally, the multiplier effect represents higher perceived credibility of media coverage over advertising. Grunig and Grunig (2000) described the multiplier effect as the advertising equivalency of media coverage calculated by multiplying the advertising value by a factor of, for example, 3, 5 or 7. A "multiplier" factor is applied to actual circulation figures to estimate a total number of media impressions, taking into account pass-along readers. Estimates of multipliers vary, but their use results in a higher measurement of total reach (Weiner & Bartholomew, 2006).

Michaelson and Stacks (2004) conducted a pilot study that compared published material to three advertising media: print, radio and online. Four consumer products were presented in the test materials and then participants responded to questions designed to determine whether the type of media carrying the message had any effect on product-purchase decisions. The 2004 study, which used undergraduate students (number of subjects not published) from a large Southeastern university, showed no effect on purchase intent across the four media types, published article (not advertising) and print, radio and online advertising, and a control group.

Limitations of this research included its researcher-acknowledged small sample size and reliance on college student participants, absence of reliability and validity measurements, lack of theoretical grounding and insufficient differentiation among the various test materials (Stacks & Michaelson, 2009).

To address the limitation issues raised in the 2004 pilot study, Michaelson and Stacks (2007) conducted a larger study that used a true experimental design to assess the possible

presence of a multiplier effect. The sample included 351 adults from five cities across the United States: Baltimore, Maryland; Duluth, Georgia; West Dundee, Illinois (Chicago); Fort Worth, Texas, and Santa Ana, California. Using a field interview process, professional interviewers recruited participants in shopping malls and conducted the experiment. Participants were randomly assigned to one of the experimental treatments (either a print advertisement or a newspaper article about a fictitious new potato chip brand) or a control group.

Overall, the 2007 study (Michaelson & Stacks, 2007) did not support the presence of a multiplier effect, particularly in the specific case of a new-product introduction. Michaelson and Stacks (2007), however, concluded that both the news article and advertisement were "equally effective in promoting the product (p. 6).

Study results showed significant differences between the two experimental groups when compared to the control group (Michaelson & Stacks, 2007). While differences were observed between the print-advertisement group and the newspaper-article group generally, they were not statistically significant. Review of the data, however, indicated that the newspaper article (public relations-generated) produced slightly higher scores for measures of exposure, believability, awareness, brand preference or purchase intent.

One significant finding was reported: those exposed to the newspaper article (public relations generated) showed more homophily (perceived similarity between information source and information recipient) with the product than those receiving the advertising treatment.

Failure of the 2007 Michaelson and Stacks study to observe any advantage of public relations over advertising raised concerns among some practitioners who, at the extreme, believed it could threaten the very survival of the profession. Others claimed the study did not reflect the real-world practice of public relations (Stacks & Michaelson, 2009). These issues and

concerns subsequently led Michaelson and Stacks to conduct another study intended to replicate and extend the 2007 work. The new study (Stacks & Michaelson, 2009) modified the 2007 experiment to address criticisms of methodology, experimental design and theoretical construct.

The 2009 study's design attempted to reflect a more realistic media environment. For example, the treatments included use of multiple different news stories and combining news stories and advertisements in a single treatment presented as a mock two-page spread in *The New York Times*. The sample included 651 adults from the same five cities used in the 2007 study. Again, using a field interview process, professional interviewers recruited participants in shopping malls and conducted the experiment. Participants were randomly assigned to a control group or to one of three experimental treatments: public relations material only, advertising only, both public relations and advertising material. After reviewing the treatment material, participants answered questions about the material and their reactions to it.

The 2009 study also found no statistically significant difference between the news article and the advertisement in terms of awareness, information, intent to purchase and product credibility (Stacks & Michaelson, 2009). The news article and the advertisement showed equal impact in promoting the product. Also, the study indicated no additional communication effectiveness accrued from the presence of both a news article and an advertisement.

Stacks and Michaelson (2009) argued that while the results showed comparable value for both public relations and advertising, this should not be viewed as a negative finding for those contending that public relations offers value in relation to other forms of commercial communication. Rather, they contended that the comparable value "reflects the actual value that public relations can offer to an unknown product or client and clearly argues that public relations

as part of the marketing mix should be considered equal to and not subservient to advertising"
(p. 16).

Michaelson and Stacks (2009) concluded that the assumption of higher levels of credibility for editorial material lacks universal validity. They attributed this finding, at least in part, to a 10-year trend in declining credibility of print media by the general public (c.f., News Consumption and Believability Study, 2008).

Additional Studies Informing Implied Third-Party Endorsement Effect

A study by Chaiken and Maheswaran (1992) looked at the interaction of source credibility, importance of information (high or low), and message quality (strong unambiguous, weak unambiguous and ambiguous). Results of the test, involving information about a hypothetical telephone technology, showed that "source credibility exerted a strong persuasive impact" (p. 337) on attitude when the message was ambiguous, independent of its high or low level of importance. When the importance level was low, source credibility influenced attitude under all three message quality conditions.

The use of paid and nonpaid communication in political campaigns was examined by Tinkham and Lariscy (1993). This study found that print and broadcast advertising were effective in gaining votes for non-incumbent candidates, while news coverage was negatively associated to their vote count due to lack of news control. For incumbent candidates, advertising expenditures were negatively related to vote count. The study showed that when placed in an advertisement, the news story format is a powerful peripheral cue.

A study of online shopping purchase decisions demonstrated the favorable impact of news clips and customer testimonials (Wang, 2003). Approximately 70 college students were asked to recommend to a male student what collectible doll to purchase for a girlfriend after

viewing a randomly assigned Web site treatment featuring either a news clip, customer testimonial, or the customer testimonial in a news clip. Results indicated that news clips from third-party publications and customer testimonials may contribute to higher purchase intention. Additionally, the study showed that consumers attributed greater trust to a customer testimonial when conveyed in a news clip, than when presented directly on a Web site.

In an experiment (Loda, Norman, & Backman, 2005) involving travel-related print advertisements and magazine articles, the publicity-generated articles performed better than advertising on three dependent variables, credibility, attitude toward the destination and purchase intent. No significant difference was noted for a fourth variable, message strength. The experiment randomly assigned 89 college students to an advertisement, magazine article or control treatment, and then posed a series of questions to obtain the four measures. While the study was limited to a relatively small college-student sample and focused on a travel-related theme, it provided some support for the strength of publicity over advertising.

Linking Implied Third-Party Endorsement Effect and Source Credibility

The concept of credibility for the purpose of this study is focused on media as source of information and the potential enhanced perception stemming from implied third-party endorsement effect.

A number of public relations scholars have related the implied third-party endorsement effect to "credibility" as a key factor in evaluating information and information sources. Grunig and Grunig (2000), for example, linked third-party endorsement to credibility when they described the application of a multiplier effect to calculate the value of news coverage over advertising.   They said public relations practitioners used various multiplying factors, from 3 to 7, to reflect the greater credibility of news coverage compared to advertising.

Hallahan (1999a, 1999b) identified four credibility-related characteristics that reflect audiences' favorable view of news and three that capture their unfavorable perception of advertising. The favorable attributes of news include "expertness" of the reporters and editors who produce the news (Hallahan, 1999a, 1999b; Reeves, Chafee, & Tims, 1982); "independence" of a vested interest, which is held by organizations (Hallahan, 1999; Hovland & Weiss, 1987); "unclear intention to persuade" compared to selling intent of advertising (Hallahan, 1999; Hass & Grady, 1975); and "ambiguity of language" that avoids hyperbole (Hallahan, 1999; Smith & Hunt, 1978).

In contrast to news, advertising carries a negative bias among audiences based on "avoidance" of dissonant information (Cummings & Venkarcsan, 1976; Hallahan, 1999a, 1999b) "resistance" to efforts perceived as taking away individual freedom (Hallahan, 1999a, 1999b); and "discounting," a tendency to be dismissive under attribution theory (Hallahan, 1999a, 1999b; Settle & Golden, 1974).

Cameron (1994) also focused on credibility, using recall of information as a dependent variable to measure information "value" in his experiment. He based this measure on earlier studies (Hovland, Janis, & Kelley, 1953; Hovland, Lumsdaine, & Sheffield, 1949; Hovland & Weiss, 1951; N. Miller & Campbell, 1959) that identified source credibility as a driver of recall. Higher credibility led to higher the recall, which translated into a greater likelihood of attitude change, or persuasion. Petty and Cacioppo (1981) also viewed memory as a component of persuasion in their study of message learning.

Michaelson and Stacks (2007) used credibility and homophily (similarity to self) as the dependent variables measured in their study comparing editorial copy and a consumer product advertisement.

Source Credibility and Persuasion

Linkages between source credibility and persuasion exist throughout communication literature (Miller, 1987) in that "certain perceived characteristics of sources exert a marked impact on the effectiveness of persuasive messages is one of the most well-documented and widely accepted generalizations of persuasion research" (p. 464).

As contemporary academicians have analyzed persuasion, the three basic dimensions posited centuries ago by Aristotle continue to emerge, although in somewhat different terminology (Miller, 1987). Aristotle's three dimensions of source credibility under the "ethos" label were described by Miller (1987) as "the good sense, goodwill, and good morals of the speaker" (p. 464). He observed that characteristics of competence, analogous to good sense, and trustworthiness, analogous to good morals, surfaced as key determinants of favorable source credibility in the persuasion studies of Hovland and Weis (1951). Miller (1987) also acknowledged Kelman's (1961) work that distinguished source credibility characteristics as attractiveness, expertise and means control (ability of source to confer rewards and punishment).

At the same time, Miller (1987) criticized studies by Berlo, Lemert, and Mertz (1969) and McCroskey (1966) for what he considered their over-emphasis on factor analyses to identify specific dimensions of credibility. Miller (1987) said,

> … it seems apparent that persuasion researchers have been overly enamored with
> conducting factor analyses of the credibility construct, with the result being that much of
> the recent scholarly dialogue about credibility consists of procedural and statistical nit-
> picking about the relative merits of this or that study or analytical approach. (p. 465)

Miller (1987) further asserted that credibility research also suffered from its one-way assessment of the source from the perspective of the audience Miller. Instead, Miller supported Mertz's

(1966) view that examination of source credibility should also include audience self-assessment of the same characteristics being used to evaluate source credibility. These self-assessments should be taken into account when considering effects of source credibility.

In addition, Miller said that credibility was too often regarded as an "independent variable which influences subsequent persuasive outcomes, rather than a *persuasive outcome* worthy of study in its own right" (Miller & Burgoon, 1978, p. 34). Expressed another way, he said, "Credibility has usually been viewed as a functional *means* to some persuasive end, not as an important persuasive *end* in itself" (Miller, 1987, p. 466).

A process of "credibility formation" involved the use of "symbolic inducements to persuade others to perceive them more positively" (Miller, 1987, p. 467.) These symbols included verbal and nonverbal communication, communicator style and the order of information presented. Miller discussed credibility formation in the context of interpersonal relationships. But his basic premise that symbolic elements affect perceived credibility can be extended to the idea that different types of media sources may represent communication symbols that influence perceived credibility.

The study of persuasion has long considered the perceived value, or credibility, of information sources an important component of influencing thought and action (Hovland, Janis, & Kelley, 1953; Slater & Rouner, 1996). As a theoretical premise, source credibility asserts that the persuasive power of a message will be greater if the audience views the originating source as credible (Petty & Wegner, 1998). Additionally in advertising research, perception of higher source credibility has resulted in more favorable attitudes toward both the individual making the endorsement and the advertisement (Braunsberger, 1996).

Hovland and others conducted numerous studies concluding that message receivers are more inclined to adopt, or be persuaded by, messages when the source is viewed as highly expert, trustworthy, likeable or attractive (Eagley & Chaiken, 1993). First, source expertise is viewed as the ability of a source to provide accurate information (Rhine & Severance, 1970). Second, source trustworthiness considers a motivational element – the intention and willingness of a source to offer correct information (Mills & Jellison, 1967). Third, source attractiveness takes into account the likeability and appeal of the source to an audience (Baker & Churchill, 1977; Ohanian, 1990).

Dimensions of Credibility

Credibility generally has been studied in two contexts, source and medium. Source credibility has been examined from the perspectives of interpersonal, organizational and mass-media communication (Kiousis, 2001). Much of this research (e.g., Addington, 1971; Mulac & Sherman, 1975; O'Keefe, 1990) has explored the role source plays in how information is processed by an audience. The source in this stream of literature is typically viewed as an individual, group of people or organization communicating a message to an audience. Understanding source credibility involves a complex dynamic between message source and message receiver, or audience. For example, Gunter (1992) contended that credibility is a perception that may be affected more by the message receiver than the message source. Message receivers may have biases based on preconceived beliefs, past experiences or social affiliations that affect their perceptions of a media source's credibility (Eveland, 2002).

The perception of credibility can be examined in the context of different dimensions (Metzger, Flanagin, Eyal, Lemus, & McCann, 2003). Generally, communication research has followed three streams of study: source credibility, medium credibility and message credibility.

Source credibility research examines the perceived level of expertise and trustworthiness of the information source or sender (Burgoon, 1976; Greenberg & Miller, 1966; Hovland, Janis, & Kelley, 1953; Hovland & Weiss, 1951; McCroskey & Richmond, 1966; Tormala & Petty, 2004.

Literature on medium credibility is directed toward the channel used to convey information rather than the content senders (Abel & Wirth, 1977; Gantz, 1981; Kiousis, 2001; Melican & Dixon, 2008; Newhagen, 1977). Contemporary research on medium credibility has focused on the degree of trust audiences have in traditional media such as newspapers, magazines, television and radio as well as new media such as Internet Web sites and blogs (Barning & Trammel, 2006; Johnson & Kaye, 2002, 2004; Walther, Wang, & Loh, 2004).

Some communication studies have indicated that message credibility is another aspect of media credibility (Flanagin & Metzgar, 2007; Sundar, 1998, 1999, 2001). Message credibility reflects audience perception of the actual message through such criteria as accuracy, information quality and language intensity (Metzger et al., 2003)

Much of the literature on source credibility is directed toward celebrity or endorser credibility; however, researchers have explored different types of message credibility, as well. For example, Lafferty, Goldsmith and Newell (2002) examined the concept of corporate credibility – the perceived credibility of a business entity (corporation or company). Their study showed that corporate credibility not only functions independently from endorser credibility, but may have greater influence when evaluating attitude toward the ad, attitude toward the brand and purchase intention. Corporate credibility appeared to be particularly impactful on attitude toward the brand.

A review of significant concepts, models and theories related to source credibility and persuasion follows.

Source

    The term "source" has been defined in several ways, differentiating two perspectives of what a source is. One dimension points to source as an originator or creator of information, and a second dimension refers to source as the provider or disseminator of information. For example, the dictionary definition from Merriam-Webster online describes source as "one that initiates" and "one that supplies information" (http://www.merriam-webster.com/dictionary/source, n.d.). The Oxford English Dictionary online offers a similar, yet more specific definition. The Oxford definition of source includes "a place, person, or thing from which something originates" and "a person, book, or document that provides information or evidence" (http://www.askoxford.com/concise_oed/source?view=uk, n.d.).

    These dictionary definitions reflect the two perspectives of source that researchers Sundar and Nass (2001) labeled as "original source" and "selecting source." By this, they consider the original source the creator of information and the selecting source the medium that has selected information (created by an original source) and then conveyed it to an audience.

    In the conventional communication process model, the source creates a message that is then transmitted via a communication channel to a receiver, or audience (Berlo, 1960; Schramm, 1954). Psychology literature places the identification of source in the "eye of the beholder" – that is, whatever the message receiver deems to be the source (Sundar & Nass, 2001).

    Chafee (1982) conducted research that showed recipients of information do not clearly distinguish between the individual who creates, or originates, the message and the communication channel that conveys and delivers it. People often view the communication, or media, channel as the source of the information they receive. This finding provided the foundation for Sundar and Nass (2001) to call the medium that transmits information a "selecting

source." By this, they mean a medium has selected information created by an original source and then conveyed it to an audience. The blurring of differentiation between the originator and deliverer as information source has produced a confounding effect on some studies, as was the case in source credibility research conducted by Hovland and Weiss (1951) comparing periodicals as the identified source with actual authors as the identified source.

In some cases, the original source also may be the disseminator of information, but mass communication creates likely conditions for coexistence of both the original source and the selecting source. In fact, a message receiver may know the selecting source (media channel), but not know the original source (Hu, 2007).

While identifying the originating source generally is comparatively clear-cut, the selecting source, or media channel, may be less straightforward. The advent of online communication has added complexity to the concept of a selecting source because of the relative ease of taking information from one online site and distributing it to a wider audience (Flanagin & Metzger, 2000; Johnson & Kaye, 1998). The work of Sundar and Nass (2001) proposed a typology to help differentiate kinds of online selecting sources – visible sources, technological sources and receiver sources.

Visible sources are sources that a communication receiver sees as the deliverer of the message or information. It is common for receivers to consider visible sources as the creator, or originator, of the message content. Examples of visible sources include media outlets such as newspapers and magazines, television news anchors and recognized news organizations, such as *CNN*, *The New York Times* and *Dow Jones Newswire* (Sundar & Nass, 2001).

Technological sources refer to the type of communication technology – whether television set, computer, smart phone or other medium – used to convey the message (Reeves &

Nass, 1996). Receiver sources suggest that receivers of information also can become sources of information. On one hand, the online sharing of information enables audience members (comprised of receivers) to become sources for others (Sundar & Nass, 1991). At the same time, the growth of online communication and the vast availability of content allow receivers to self-select content – in essence, becoming their own "gatekeepers" (Hu, 2007).

Sundar and Nass (2001) conducted an experiment that confirmed distinction of four selecting source types which were operationalized as (1) news editors, (2) computer terminals, (3) other audience members, and (4) oneself. The experiment involved 48 subjects reading six identical articles identified as coming from one of the four source types. After reading each story, subjects' perceptions were assessed. Results showed significant differences among the four source types when compared on the basis of liking, quality, and representativeness, or trustworthiness, but not on credibility (Sundar & Nass, 1991).

<div align="center">Additional Theoretical Foundations</div>

Balance Theory

Balance theory, which originated with Heider (1946), has application to evaluating source credibility. Under balance theory, an individual's attitude about a particular subject is influenced by that person's attitude toward, or opinion of, the source of information on that subject (Eveland, 2002). This premise underlies the belief that celebrity endorsements can influence public attitudes toward the object of endorsement. If people have a favorable opinion of a "celebrity" who is portrayed in advertisements or other public forums as endorsing a particular product, candidate, social cause or organization, that positive view will transfer to their attitude about the object of endorsement.

Medium Theories

        The relationship between media and the messages they contain is examined across several theoretical perspectives developed in concert with changes in technology and mass media (Baran & Davis, 2006). Social critics and scholars initiated what became known as mass society theory by identifying what they considered negative societal and cultural consequences of the industrial age, including changes and growth in media (Baran & Davis, 2006). The emergence of new forms of media (movies, radio and television) in the early 1900s exacerbated concerns that media exerted powerful, direct influences on individuals (Davis, 1976).

        In the face of new empirical research, support for mass society theory's view of media as a dominant force on individuals declined in the 1940s and 1950s. Lazarsfeld, Berelson, and Gaudet (1944) advocated the limited-effects perspective of media impact. Based on his 1940 voter studies and other work, Lazarsfeld proposed a two-step flow of communication. That is, the media do not directly impact audiences because the information they convey first goes through opinion leaders and then is transmitted to others (Lazarsfeld et al., 1944). Hovland, Janis, and Kelley (1953) reinforced the limited-effects paradigm by suggesting that a number of different factors, including source credibility, individual differences and societal elements, affect communication effectiveness, thus tempering the direct impact of media.

        The rising presence of electronic media beginning in the 1960s led to another swing in the debate over media impact and influence. McLuhan's belief that the medium is the message (McLuhan, 1964, p. vii) initially gained widespread public acceptance, but encountered challenges by scholars who questioned its rationale and criticized the lack of substantiating empirical research (Baran & Davis, 2006). McLuhan's broad-based view of the impact of the

media and technology, however, has gained some renewed interest in context with the explosive growth of the Internet (Rogers, 2000).

Information Integration Theory

Source credibility is reflected in information integration theory, which is based on the premise that beliefs and attitudes develop by processing new information and integrating it with existing beliefs (Eagley & Chaiken, 1993). Expanding on this concept, information sources with favorable attributes are generally perceived as more persuasive than those with less positive attributes (Eagley & Chaiken, 1993).

A study by Birnbaum, Wong and Wong (1976) examined source credibility using "communicator credibility" and "likeability" as variables that could affect persuasiveness. They developed a successful model predicting audience attitude (weight x scale value), incorporating the effect of source credibility on message weight with communicator credibility and likeability (Eagley & Chaiken, 1993).

The basis of forming an opinion about an individual's credibility as a source may entail any number of reasons, including the physical appearance of the individual. While research on the impact of source (or spokesperson) appearance is limited, some work has looked at the effectiveness of photographs in motivating an audience. Hollander (2001) conducted an analysis of the use of various front-page photographs by three daily newspapers and potential impact on single-copy sales. His findings countered conventional wisdom that photograph type and size could influence newspaper purchase decisions. This result could raise questions regarding the possible impact of a visual representation of a source on an audience.

<u>Schema Theory, Business Communication and Advertising</u>

A stream of communication literature related to information integration involves schema theory, the belief that people create general knowledge structures based on their own experiences and knowledge. Different schemata are used to help organize and process information as well as understand and interpret relationships. Although common in the realm of relational communications (Planalp, 1985; Samp, Wittenberg, & Gillett, 2003), schema theory has also been applied to studying readers' understanding of written business messages (Faris & Smeltzer, 1997). In extending schema theory to comprehension of business communication, individuals utilize pre-existing knowledge, professional experiences, attitudes and expectations in their evaluation of message content (Suchan & Dulek, 1988).

Similarly, schema theory has been used to understand how people respond to advertising communication (Friestad & Wright, 1995; Van Reijmersdal, Neijens, & Smit, 2005). Advertising schema has been described as a "schema-based suspicion towards persuasive marketing attempts" (Van Reijmersdal et al., 2005, p. 34). This negatively oriented advertising schema can impact how people react to advertising, resulting in lower perceived credibility and less favorable attitudes (Stafford & Stafford, 2002).

The application of schema theory to the processing of business communication and consumer advertising sets a reasonable foundation for the theory's relevance to understanding how people evaluate information received through the media. It follows that personal assessment of business messages could well include individuals' pre-existing knowledge and beliefs about different types of media that convey those messages. Further, media-based schema could influence perceived credibility of media channels and message content either negatively or positively depending on individuals' schemata.

<u>Multiple Sources</u>

Research has shown that the delivery of a message from multiple sources has a greater impact on an audience that the same information delivered by a single source. In a study by Harkins and Petty (1981), participants expressed more favorable attitudes toward and were more persuaded by information presented to them by multiple sources

<div align="center"><u>Information Processing Models and Persuasion</u></div>

In persuasion literature, source credibility also is a reflection of an audience's motivation, opportunity and ability to process a message through different thought channels. The elaboration likelihood model (ELM) differentiates the central or peripheral routes and the heuristic systematic model (HSM) views the heuristic or systematic paths of information processing (Chaiken & Maheswaran, 1994; Petty, Cacioppo, & Goldman, 1981). Initially, peripheral (or heuristic) prompts were considered insignificant in conjunction with central (or systematic) informative material (Petty & Cacioppo, 1984). Research by Chaiken and Maheswaran (1994), however, indicated that heuristic processing of source credibility cues can affect the systematic processing of message views when advocacy messaging for a product was vague or uncertain.

A study by Higgins (1999) examined the effect of time constraints on the use of heuristic source credibility cues. Under Higgins' hypothesis, people given limited time to process a message would rely more on heuristic source credibility cues in an effort to moderate the heightened cognitive load created by the time-pressured situation. Contrary to this hypothesis, study participants under high time constraints actually used source credibility cues less than when they faced no time constraints. To explain this finding, Higgins posited that under high time constraint conditions, people turn even more to basic cues when processing a message.

Source credibility was a factor only under conditions where people faced distractions and were unable to fully comprehend the message in a study by Kiesler and Mathog (1968). This finding was viewed by Petty and Cacioppo (1984) as evidence that the ability to comprehend a message influenced people's use of source credibility cues, as well as their level of motivation when processing a message.

Elaboration Likelihood Model

The elaboration likelihood model (ELM) provides a framework for understanding persuasion from the perspective of attitude formation and change (Petty & Cacioppo, 1986). A fundamental concept of ELM is argument quality, how strong and compelling the message is perceived by the audience (Eagley & Chaiken, 1993). Further, ELM identifies a key measure of attitude formation as the level of "elaboration," or involvement required of the message receiver to process the information. On a continuum, a low elaboration level would require a low degree of thought, while a high elaboration level indicates a high degree of thought. The path to persuasion is based on two routes: central route or peripheral route.

Central route processes are more complex, involving a high degree of thought and analysis (cognition) by message receivers. Motivation and ability are two essential prerequisites to central processing of information. If recipients respond favorably to the information provided, they will likely agree with the message, thereby influenced, or persuaded. Conversely, if the reaction to the information is unfavorable, the argument probably will not be accepted and, thereby, is ineffective as a persuasive message (Petty & Cacioppo, 1986).

In contrast, peripheral route processes relate to external or environmental factors surrounding the message, including perceived source credibility, quality of presentation, source attractiveness, and message appeal. Under the model, peripheral route processes may involve a

lower degree of motivation and ability to process information than central route processes (Petty & Cacioppo, 1986).

Having the desire to process the information (motivation) and the skills to critically evaluate a message (ability) affect whether the central or peripheral route are used. Examples of motivation factors are message relevance, personal accountability and individual interest in thinking (cognition). Ability includes factors such as having the time to focus on the information, an environment conducive to analysis and a foundational knowledge or background (Petty & Cacioppo, 1986).

Message source and persuasion: Under the elaboration likelihood model, the role of source in persuasion changes, depending on the strength level of other factors in the model, such as motivation or processing ability. For example, when motivation and processing ability are low, source can play a greater role in determining acceptance or rejection of an argument (Petty & Cacioppo, 1984; Eagley & Chaiken, 1993). The rationale for this being that peripheral elements, such as source, have greater influence when other factors are weak, and conversely, have less impact when other elements are strong.

Consequently, high personal relevance would appear to enhance the effectiveness of an argument above other factors. An exception, however, emerged in a 1980 Petty and Cacioppo study, which involved hair shampoo advertisements. In general, elaboration likelihood supported findings that argument quality had a higher persuasive impact when personal relevance was high. The 1980 study, however, showed that more physically attractive product endorsers were more persuasive than less attractive endorsers, regardless of whether personal relevance was high or low. Subsequently, Petty and Cacioppo explained (1984) that source was

a peripheral cue when personal relevance was low, but served as a persuasive argument when personal relevance was high.

In addition to analyzing the impact of source cues based on high or low elaboration likelihood models, some work has explored the implications of a more moderate level of elaboration likelihood that might be a more realistic situation in daily life (Petty & Cacioppo, 1984). Under a moderate elaboration likelihood condition, source cues may influence how much effort people put into processing a message (Petty & Cacioppo, 1984). Heesacker, Petty and Cacioppo (1983) found that people used more intense message processing when information was presented by an expert source than a non-expert source.

Critique of ELM: While the elaboration likelihood model offers a useful framework for examining the process of persuasion, some critics have pointed out weaknesses. The concept is considered more descriptive than predictive, falsification is difficult, and experimental presumptions are easily altered (Cook, Moore, & Steele, 2004).

Eagley and Chaiken (1993) questioned the hypothesis that credibility elevates message-relevant thought when dealing with relevant subject matter, as argued by Heesacker, Petty and Cacioppo (1983). Eagley and Chaiken (1993) contended that the hypothesis is unsupported because the research lacks measurement of valence or message-relevant thinking to assess any interaction between credibility and argument quality.

Heuristic-Systematic Model

The heuristic-systematic model (HSM) presents a dual-process concept of persuasion (Chaiken, Lieberman, & Eagley, 1989). Like the elaboration likelihood model, HSM suggests that the persuasion process involves two routes that track along a continuum of high-to-low elaboration (Green, Garst, Brock, & Chung, 2006).

One mode of processing, heuristic processing, occurs in a low elaboration situation in which peripheral cues, such as source expertise, influence the analysis, rather than extensive thought analysis. In general, heuristics refer to a less-structured framework of knowledge based on discovery and experience which is drawn upon as necessary. It follows that heuristic processing posits that without message-relevance and/or the ability to process information or arguments, people will develop positions based on more peripheral factors, not the relative strength or weakness of the argument (Chen, Duckworth, & Chaiken, 2000).

Although cognition level may be low under heuristic processing, certain conditions must be present: availability of heuristics through memory; accessibility through memory retrieval; and applicability, or relevance, to the subject or situation (Chen, Duckworth, & Chaiken, 2000; Higgins, 1996).

The second mode, systematic processing, relates to a high elaboration situation in which the message receiver must have the motivation and ability to give thoughtful, in-depth consideration of information and arguments. Based on the systematic analysis of the information, strong arguments will be more persuasive than weak arguments.

The two modes of processing may take place alone, or at the same time, adding to the complexity of understanding how persuasion occurs (Chaiken et al., 1989). The co-occurrence may be additive (Maheswaran & Chaiken, 1991) or the decision outcome of one mode may influence the other mode (Chaiken & Maheswaran, 1994).

A study by Chaiken and Maheswaran (1992) looked at the interaction of source credibility, importance of the information (high or low), and message quality (strong unambiguous, weak unambiguous and ambiguous). Results of the test, involving information about a hypothetical telephone technology, showed that "source credibility exerted a strong

persuasive impact" (p. 337) on attitude when the message was ambiguous, independent of its high or low level of importance. When the importance level was low, source credibility influenced attitude under all three message quality conditions.

Later work showed that the persuasiveness of an ambiguous message was enhanced when the information was presented as "news" (Chaiken, Duckworth, & Darke, 1999). An audience exhibited greater confidence in assessing ambiguous information when perceiving the source as news vs. advertising. Nevertheless, the source strength of news was not sustained when the information processed was unambiguous.

<u>Cognitive Response</u>

The cognitive response model is based on the premise that individuals take the information received in a persuasive message and combine it with their pre-existing beliefs and thoughts. The resulting thought process as people integrate the new information with their own knowledge base is the "cognitive response," which mediates the impact of the persuasive message (Eagley & Chaiken, 1993). Consequently, the thought process that occurred within the individual – not the message – created the persuasive effect, or change of view (Eveland, 2002).

Cognition takes place when an individual goes through an analytical thought process when considering a message. This process may include evaluation, reasoning and positive or negative beliefs about, what is called, an attitude object (Fabrigar & Petty, 1999). Yoo and Kim (2005) described the cognitive evaluation process as the thinking that occurs when an individual is exposed to stimuli. Another definition of cognitive evaluation includes terms such as "appraisals," "schemas," "attributions," "interpretations" and "strategies" (Berkowitz, 1993, p. 12). In contrast to an affective response, which has been described as an emotional response toward an attitude object (Fabrigar & Petty, 1999), a cognitive response is generally more

thoughtful, calculated, cogent and analytical. Cognitive responses emerge more slowly and

usually are viewed as more complex than affective responses (Epstein, 1993).

The proposition that attitude formation is based on cognitive thinking, alone, was

developed from foundational research work done by Fishbein and Ajzen (1975). Subsequent

studies indicated that affect, too, may play a role in determining attitude (Holbrook & Batra,

1987; Trafimow & Sheeran, 1998). In addition to studying affective and cognitive responses to

specific stimuli, such as advertisements, researchers have examined these responses in the

context of communication strategies and persuasion. Becker (1968) and Ruechelle (1958)

conducted early work that analyzed the affective and cognitive dimensions of persuasion in

speeches.

<div align="center">Media Credibility and Gatekeeping</div>

If a relationship exists between different information sources and perceived credibility

and behavioral intentions, a determining factor may well be linked to the "gatekeeper" function

(Lewin, 1947). Lewin used the term in developing the theory of channels and gatekeepers --

how individuals make decisions to select or reject items. He also proposed that this theory could

relate to the dissemination of news and information.

Building on this concept, Shoemaker, Eichaly, Kim, and Wrigly (2001) described

gatekeeping as a process through which a large number of news items are reviewed, edited and

narrowed down to a few. They view the process as a "series of decision points" through which

news stories pass, starting from the originating source to the reporter and then to a series of

editors. This process ultimately determines whether a story continues to a point of distribution,

or dissemination. Their study (Shoemaker et al., 2001) found that a news story processed by

multiple editors (collective-level) was more likely to be considered newsworthy than a story

processed by a single editor (individual-level). Consequently, stories processed by multiple editors were more likely to receive greater exposure to a larger audience.

Four of the six types of sources (media channels) examined in this study correspond to the collective-level and individual-level gatekeeping processes described above. The collective-level media channels are a newspaper article and an independent technical journal article. The individual-level process is represented by individual posting on a financial message board and individual posting on a company message board. Two other media channels represent controlled sources: an advertorial and a news release on a company Web site.

Under the framework of gatekeeping, it might be assumed that an audience would consider information presented in a newspaper article or Web site of a technology research firm would go through a thorough process of review by multiple editors. In comparison, information posted on a message board would essentially be perceived to have a single editor – the actual writer. Therefore, an audience might view the information conveyed in a newspaper article and on a research firm Web site more positively than information provided in a message board posting. It may then be reasonable to project that information provided through channels without any level of review would be viewed least positively, or least credible.

This line of thought, that information processed by multiple editors will be perceived more favorably as more credible than information processed by one editor or writer, may not always be the case when considering information disseminated on the Internet. The function of "gatekeeper" has moved from the media source to the audience, contended Haas and Wearden (2003). That is, selectors of information can also function as editors or moderators in online communication platforms, such as message boards, chat rooms or other virtual communities (Barzilai-Nahon, 2006). The traditional definition of gatekeeper as a selector of information,

therefore, has expanded in the online context to also include user actions to change, correct, or even eliminate information posted on various sites, for example, on Wikipedia.

By extension, Hu (2007) said that information provided by a source such as an online poll or message board may not be perceived as less credible than a Web site that involves multiple editors because of user-driven editing by multiple moderators and site users. Furthermore, research to date has not explored how receivers perceive the relative importance of different types of gatekeeping by editors, moderators or users.

An experiment conducted by Flanagin and Metzger (2007) compared online message credibility of sites representing news organizations, special-interest groups, e-commerce entities and individuals. The study showed that of the four types of sites, messages conveyed on individual sites, typified by personal homepages, had the lowest level of perceived credibility.

Walther and Boyd (2002) investigated users' perceptions of thoroughness of information when presented on an online message board (referred to as an online support group) compared to a Web site. They proposed that the presence of multiple perspectives partly explained the appeal of the message board format. Consequently, information provided on a message board might be viewed as representing a wide range of views, making it more comprehensive than information posted on a single Web site.

<u>Attitude and Behavioral Intention</u>

Seminal work on the study of human behavior and behavioral intention revolves around the theory of reasoned action developed by Fishbein and Ajzen (1975, 1989). The theory of reasoned action and its extension, the theory of planned behavior, are based on the hypothesis that the best predictor of behavior is an individual's intended behavior – behavior taken of one's own volition (Fishbein & Ajzen, 1975, 1980; Hale, Householder, & Greene, 2002). Under the

theory of reasoned action, behavioral intention is determined by one's attitude toward the behavior and subjective norm, how one perceives the attitudes of others toward the behavior (Fishbein & Ajzen, 1980). A meta-analysis of research involving the theory of reasoned action by Sheppard, Hartwick, and Warshaw (1988) observed the predictive ability of this theory across a number of applications.

Ajzen (1985, 1991) developed the theory of planned behavior as an extension of the theory of reasoned action. The theory of planned behavior adds perceived control to the theory of reasoned action's attitude toward the behavior and the attitudes of others toward the behavior. By perceived control, Ajzen (1985, 1991) referred to an individual having the resources and opportunity to take a particular action. He posited that the availability of resources and opportunity influenced behavioral intention and, ultimately, behavior. Researchers have effectively used the theory of planned behavior to predict a variety of behaviors (Armitage & Connor, 2001; Hale, Householder, & Greene, 2002) such as health-related behaviors (Sheeran & Taylor, 1999; Sheeran, Trafimow, & Armitage, 2003), purchase behavior (De Canniere, De Plesmacker, & Geuens, 2009), and financial investing, i.e., stock purchase (East, 1993).

In their comprehensive review of the theory of reasoned action and the related theory of planned behavior, Hale, Householder, and Greene (2002) concluded that "the evidence supporting the theory of reasoned action and the theory of planned behavior is considerable" (p. 281). Criticism of the theory of reasoned action is directed more to its limited applicability in involuntary, or nonvolitional, behavior and its exclusion of other potential predictive factors than on its fundamental premise and predictive relationships.

Two fundamental relationships underlie the strength of theory of reasoned action: the relationship between attitude, behavioral intention and actual behavior, and the relationship

between attitude and behavioral intention. Both of these relationships have support from researchers who have conducted studies to test the theory of reasoned action and those who have reviewed the studies of others through meta-analysis (Hale, Householder, & Greene, 2002).

The next chapter presents research hypotheses for the present work.

CHAPTER 3

SYNTHESIS AND HYPOTHESES

<u>Overview</u>

In public relations, the implied third-party endorsement effect is viewed as a desirable rationale for communicating news and information through the news media. The premise, as noted by both public relations practitioners and researchers (Bivens, 2008; Guth & Marsh, 2007), is that information conveyed through independent media is perceived as credible by an audience because it comes from an unbiased source. Smith (2009) defined third-party endorsement as a "concept referring to the added credibility that comes with the endorsement of an outside and unbiased agent, such as a reporter or editor (p. 410).

This study explores the presence of implied third-party endorsement effect in the context of business-related information targeted to business people. In doing so, research seeks to answer the overarching question: Do persons in business perceive different levels of credibility of business-related information depending on the media channel and spokesperson delivering that information?

The study explores whether information conveyed through an independent media channel (non-paid media whose content is developed by an independent third-party) perceived as more credible and persuasive than the same information conveyed by a controlled media channel (paid media, such as advertising, or direct communication, such as a company Web site, whose content is controlled by a sponsor with a vested interest in how the information is perceived).

In addition, this study examines whether information presented by an independent

spokesperson (a third-party representative, such as a business customer) is perceived as more

credible and persuasive than the same information expressed by a company spokesperson (a

company employee who has a vested interest in how the information is perceived).

<u>Defining Terms</u>

To ensure clarity and consistency in the development of this study, its relevance to

existing literature, and application and relevance to the changing media landscape reflected by

the Internet, definitions for key terms are provided:

Independent media channel – is a media source that carries or disseminates information

(a message) that is not created nor paid for by a party with a vested interest in how that

information is perceived and/or acted upon. Generally, this information channel is typified by

the presence of gatekeepers or third parties, such as writers, editors or producers, who have the

freedom to influence information (a message) content as well as have the authority to decide

what, to whom and when information is disseminated. It may also represent the communication

of an individual whose message is direct, unedited and unfiltered before being received by an

audience.

When information (a message) is delivered via an independent media channel that is not

controlled by a party with a vested interest, it is believed by many in public relations to have

enhanced credibility (Bivens, 2008). Examples of independent or non-controlled information

channels among traditional media include newspapers, magazines, trade journals and broadcast

news outlets. By extension, examples in digital media include online newspapers, online

magazines, online trade journals, and online message boards hosted by independent third parties

enabling individuals to independently post and disseminate information.

Controlled media channel – is a media source that disseminates information (a message) that is totally controlled by an originator with a vested interest in how that information is perceived and/or acted upon. Often this involves exchange of payment for space or time to place specific information. In the context of traditional media, paid advertising and forms of direct communication, such as organization- or company- produced publications, brochures, news releases or public service announcements, are considered examples of controlled information (Bivens, 2008). By extension, examples in digital media would include paid-placement of articles on Web sites, articles or news releases posted on an originating company's Web site, or message boards that are hosted by a company that has a vested interest in the subject of the message board.

Advertorial – is an advertisement that simulates a media's editorial style (van Reijmersdal, Neijens, & Smit, 2005), including content, graphic design, typeface and layout. Cameron (1994) described an advertorial as information presented as an article, but appearing in space paid for as an advertisement. The premise behind advertorials is a belief that information presented as news in the context of an independent media placement will be perceived as more believable, or credible, than an advertisement that is controlled, or paid for, by an entity with a vested interest. The intent is to blur the boundary between advertising and editorial copy (Dahlen & Edenius, 2007).

In this study an advertorial is represented in the online context of a controlled, or sponsored, article, which is placed on a Web site. The appearance of this article reflects that of a news article, but a written designation as being "sponsored" appears beside the article

Message board – an online discussion site where people with common interests can post a comment or ask a question on a particular discussion topic, as defined by

Socialmedia.wikispaces.com (http://socialmedia.wikispaces.com/A-Z+of+social+media) and Wikipedia.org (http://en.wikipedia.org/wiki/Internet_forum). Also called a "bulletin board" or "Internet forum," message boards are consider "asynchronous" because the online discussion can occur over time. The sequential post-and-read dynamic of message boards contrasts with synchronous communication, a real-time dialogue that might take place on a chat room.

A message board is typically a discussion area that exists on a Web site. The host Web site may be an independent facilitator with no specific connection with the topics discussed, or it may be an organization, such as a company or nonprofit institution, that creates a message board for discussion about its own interests and activities.

Das and Chen (2007) noted that message board participants may post a message on the site for other users to view and possibly respond to at a later time. Message boards do not facilitate live conversations, differentiating them from online chat rooms which are live exchanges of messages among a group of participants. Also, the messages posted on message boards are archived and available for retrieval at a later time, unlike chat room exchanges.

Financial message boards provide an independent online forum for people to share information and opinions about various companies and finance-related topics. Examples of financial messages boards are found on Web sites such as Yahoo! (http://messages.yahoo.com), The Motley Fool (Fool.com) and RagingBull.com. On these sites, an individual message board exists for each company included. Message board activity exists for nearly 8,000 stocks, according to Das and Chen (2007).

A study conducted by Das and Chen (2007) documented the rapid growth of financial message board usage. They found that in 1998, a cumulative total of 70,000 messages about Amazon Inc. were posted on Yahoo's financial message board. By late 2005 that number

reached approximately 900,000 (p. 1375). Postings on financial message boards include commentary, insights and information about a particular company (Das & Chen, 2007) as well as rumor and speculation (Hermann, 2007). Authors who post messages to these board sites often maintain anonymity by using a pseudonym.

Studies examining the relationship between financial message boards and their possible impact on the price of corporate stocks reflect mixed results. For example, Wysocki (1999) concluded that the volume of message-board postings predicted both volume of shares traded and share price. Antweiler and Frank (2004) analyzed online financial message boards for 45 companies in relation to company stock performance and level of stock-trading activity. Their study showed that message boards did not predict stock performance; however, they did see a positive relationship between the number of messages posted and the number of shares traded for a given company. This study (Antweiler & Frank, 2004) included examination of both an independent financial message board (Yahoo! Financial Message Board) and a company-controlled message board (hosted by a company, PMG Inc.).

In addition to news/editorial copy (newspaper story), two of the media channels used in this study include an article published in an online technical journal and a message posted on a financial message board. Each is similar to news/editorial copy because it presents information that is not paid for, not sponsored and not controlled by a party with a vested interest in how the information is perceived by an audience. These three types of media channels share a common quality of being "independent" of a sponsor.

Similarly, in addition to advertising (represented as a paid advertorial online), two other controlled media channels used in this study are a company-hosted Web site and a company-hosted message board. Each is similar to advertising because it presents information that is

ultimately paid for, sponsored by and controlled by a party with a vested interest in how the

information is perceived by an audience. These three types of media channel sources share a

common quality of being "controlled" by a sponsor.

Spokesperson as Source

Along with media channels, this study considers potential presence and impact of an

implied third-party endorsement effect based on individual source, or original source, of

information. In the public relations context, individual source is represented by the person to

whom the information is directly attributed. Typically information is conveyed as a quotation by

an individual, or spokesperson, considered a knowledgeable, credible source. Analogous to the

framework of independent (non-sponsored) media and controlled (sponsored media), a

spokesperson may be viewed as independent (without a vested interest in how the information is

perceived by an audience), or controlled (with a vested interest in how the information is

perceived by an audience).

<div style="text-align:center">Connecting Theory and Hypotheses</div>

Interest in the implied third-party endorsement effect of media coverage continues among

public relations professionals and scholars, though research results to date are mixed, showing

little evidence of its effect when compared with advertising communication (Cameron, 1994;

Hallahan, 1999a, 1999b; Michaelson & Stacks, 2004, 2007; Stacks & Michaelson, 2009).

Differences between public relations and advertising are discussed in both fields'

literature (Cameron, Wilcox, Reber, & Shin, 2008; Lane, King, & Russell, 2005). Among those

distinctions, the most obvious is that the publicity dimension of public relations entails

conveying information through news articles or other non-paid media formats, while advertising

specifically involves the purchase of space or time to place a message.

Other differences include public relations' focus on both internal and external audiences and advertising's focus on external audiences; public relations' limited control over the final message appearing in the mass media and advertising's "considerable control over the final message" (Cameron et al., p. 11); and, public relations use of a variety of communication vehicles beyond the mass media, such as news releases, brochures, speeches and special events, and advertising's primary reliance on the mass media.

In addition, the rapidly and dramatically changing media landscape brings added complexity to understanding implied third-party endorsement effect. Technology drives growth in number and variety of media, including Internet-driven Web sites, blogs, chat rooms and message boards; mobile communication-enabled text messaging and cable- and satellite-transmitted television and radio. Consequently, understanding how an audience perceives and evaluates information conveyed through digital media channels by different spokesperson sources is increasingly important to organizations communicating with key publics (Cameron et al., 2008; Wang & Nelson, 2006). Using media channels that are perceived as credible should enhance effectiveness and efficiency in reaching audiences faced with burgeoning choices for gathering information to use in their daily lives.

Most previous studies on implied third-party endorsement effect focused on comparisons between news articles and advertising messages as the sources of information. This dissertation adds to existing knowledge by examining several different communication vehicles used by public relations practitioners and advertising and marketing professionals. These specific formats include online newspapers, Web site articles, online message boards, sponsored articles (online advertorials) and company Web sites.

This investigation of the implied third-party endorsement effect is based on a fundamental premise that public relations practitioners and academic researchers acknowledge a commonly held belief that the implied third-party endorsement effect may influence audience perceptions of information (Harris, 1994; Cameron, 1994; Hallahan, 1999a, 1999b; Michaelson & Stacks, 2007; Stacks & Michaelson, 2009).

Public relations practitioners typically place an added value to information that is conveyed through editorial (non-paid) news coverage versus paid advertising placement (Hallahan, 1999a; Hallahan, 1999b). This value is often attributed to an audience perception of enhanced credibility emanating from the information provider, the media, is not directly linked to the originating source. The originating source is seen to have a vested interest in the information and its effect on an audience; therefore, the information may reflect bias and carry diminished credibility (Grunig & Grunig, 2000).

Studies examining source credibility have concluded that message receivers are more inclined to adopt, or be persuaded by, messages when the source is viewed as highly expert, trustworthy, likeable or attractive (Eagley & Chaiken, 1993). The concept of the implied third-party endorsement effect extends source credibility assumptions to include independent vs. controlled media (Hallahan, 1999a, 1999b). Therefore, the following hypotheses are proposed:

Media Channel Hypothesis

H1:   Independent media channels (newspaper article online, independent research article online, financial message board posting) will be perceived by an audience as more credible than a controlled media channel (press release posted on a company Web site, advertorial online, customer testimonial posted on company message board).

Spokesperson Hypothesis

H2:   Business information quoting an independent spokesperson will be perceived by an

        audience as more credible than business information quoting a company spokesperson.

Media Channel and Spokesperson (Combined) Hypothesis

H3:   An audience will perceive business information about a company delivered through an

        independent media channel (newspaper article online, independent research article

        online, financial message board posting) quoting an independent spokesperson as more

        credible than the same information delivered through a company-controlled media

        channel (press release posted on a company Web site, advertorial online, customer

        testimonial posted on company message board) quoting a company spokesperson.

Attitude- and Behavior-Related Hypotheses

        Ajzen (1985, 1991) developed the theory of planned behavior as an extension of the

theory of reasoned action. The theory of planned behavior adds perceived control to the theory

of reasoned action's attitude toward the behavior and the attitudes of others toward the behavior.

By perceived control, Ajzen (1985, 1991) referred to an individual having the resources and

opportunity to take a particular action. He posited that the availability of resources and

opportunity influenced behavioral intention and, ultimately, behavior. Researchers have

effectively used the theory of planned behavior to predict a variety of behaviors (Armitage &

Connor, 2001; Hale, Householder, & Greene, 2002) such as health-related behaviors (Sheeran &

Taylor, 1999; Sheeran, Trafimow, & Armitage, 2003), purchase behavior (De Canniere, De

Plesmacker, & Geuens, 2009), and financial investing, i.e., stock purchase (East, 1993).

In their comprehensive review of the theory of reasoned action and the related theory of planned behavior, Hale, Householder, and Greene (2002) concluded "the evidence supporting the theory of reasoned action and the theory of planned behavior is considerable" (p. 281).

Two fundamental relationships underlie the strength of theory of reasoned action: the relationship between attitude, behavioral intention and actual behavior and the relationship between attitude and behavioral intention. Both of these relationships have support from researchers who have conducted their own studies to test the theory of reasoned action and those who have reviewed the studies of others through meta-analysis (Hale, Householder, & Greene, 2002). Therefore, the following hypotheses are proposed:

Attitude-Related Hypotheses

H4: An audience will have a more positive attitude toward a company based on business information delivered through an independent media channel (newspaper article online, independent research article online, financial message board posting) quoting an independent spokesperson compared with business information delivered through a company-controlled media channel (press release posted on a company Web site, advertorial online, customer testimonial posted on company message board) quoting a company spokesperson.

H5: An audience will have a more positive attitude toward a product based on business information delivered through an independent media channel (newspaper article online, independent research article online, financial message board posting) quoting an independent spokesperson compared with business information delivered through a company-controlled media channel (press release posted on a company Web site,

advertorial online, customer testimonial posted on company message board) quoting a company spokesperson.

Purchase Intent-Related Hypotheses

H6:   An audience will have a greater intent to purchase a company's stock when based on business information delivered through an independent media channel (newspaper article online, independent research article-online, financial message board posting) quoting an independent spokesperson compared with business information delivered through a company-controlled media channel (press release posted on a company Web site, advertorial online, customer testimonial posted on company message board) quoting a company spokesperson.

H7:   An audience will have a greater intent to purchase a product when based on business information delivered through an independent media channel (newspaper article online, independent research article online, financial message board posting) quoting an independent spokesperson compared with business information delivered through a company-controlled media channel (press release posted on a company Web site, advertorial online, customer testimonial posted on company message board) quoting a company spokesperson.

Business Knowledge and Experience Hypotheses

The heuristic systematic process of evaluating information proposes that peripheral cues, such as source expertise, are more influential than extensive cognitive analysis under certain circumstances. Specifically, people will develop positions based on more peripheral factors, not the relative strength or weakness of the argument, when they lack the ability to process the information or find the message not relevant to them (Chen, Duckworth, & Chaiken, 2000).

The heuristic-systematic model (HSM) presents a dual-process concept of persuasion (Chaiken, Lieberman, & Eagley, 1989). Like the elaboration likelihood model, HSM suggests that the persuasion process involves two routes that track along a continuum of high-to-low elaboration (Green, Garst, Brock, & Chung, 2006).

One mode of processing, heuristic processing, occurs in a low elaboration situation in which peripheral cues, such as source expertise, influence the analysis, rather than extensive thought analysis. In general, heuristics refer to a less-structured framework of knowledge based on discovery and experience which is drawn upon as necessary. It follows that heuristic processing posits that without message-relevance and/or the ability to process information or arguments, people will develop positions based on more peripheral factors, not the relative strength or weakness of the argument (Chen, Duckworth, & Chaiken, 2000).

Although cognition level may be low under heuristic processing, certain conditions must be present: availability of heuristics through memory; accessibility through memory retrieval; and applicability, or relevance, to the subject or situation (Higgins, 1996; Chen, Duckworth, & Chaiken, 2000).

The second mode, systematic processing, relates to a high elaboration situation in which the message receiver must have the motivation and ability to give thoughtful, in-depth consideration of information and arguments. Based on the systematic analysis of the information, strong arguments will be more persuasive than weak arguments (Chen, Duckworth, & Chaiken, 2000).

It follows that individuals with a higher level of business knowledge and experience will be better able to analyze and differentiate information coming from both independent and

controlled media channels and spokesperson sources. Therefore, the following hypotheses are proposed:

IV.   Business Expertise-Related Hypotheses

Business Expertise and Media Channel Hypothesis

H8:   An audience with a low level of business expertise will perceive information from independent media channels as more credible than those with a high level of business expertise receiving information from controlled media.

Business Expertise and Spokesperson Hypothesis

H9:   An audience with a low level of business expertise will perceive an independent spokesperson as more credible than those with a high level of business expertise will perceive a company spokesperson.

The next chapter discusses methodology of the qualitative research and quantitative experiment conducted to explore these hypotheses.

CHAPTER 4

METHODOLOGY

Methodology: An Overview

The primary objective of this dissertation is to examine the effects, if any, of implied

third-party endorsements on messages conveyed through a mediated or journalistic source

compared with an unmediated or sponsored source. In addition, the research explored the

implied-endorsement effects, if any, of expert spokespersons and customer testimonials

conveying messages through different types of delivery channels (newspaper, independent Web

site, independent message board, advertorial, corporate Web site and corporate message board).

These effects were hypothesized in the previous chapter. Details of the experiment follow.

The research plan included two components: 1) qualitative research using interviews,

and 2) quantitative research implementation and data analysis using an experimental design.

To assess the presence and potential significance of implied third-party endorsement

effect on messages, the researcher first conducted in-depth interviews with public relations

practitioners and business people. In these surveys, interview participants' self-perceived levels

of believability of different forms of media as well as specific news media were investigated.

Then, an experiment was conducted to measure perceived credibility of business information

delivered through different media channels and by different spokespersons (expert spokesperson,

customer testimonial). The potential effects, if any, of different levels of perceived credibility

were evaluated through measures of attitude and purchase intent.

The research plan for this study followed three phases: 1) formative qualitative research;

2) pilot test of the study instrument (manipulation check of treatments, validation of

measurement scales for dependant variables and blocking variable, and 3) quantitative research implementation and data analysis. The following section details the interview method, sampling method, development and pilot-testing of the research instrument, and the methods used to gather data for analysis.

<div align="center">Qualitative Methodology</div>

Qualitative research was used in the formative stage of designing the final experimental design and manipulation treatments. This research involved individual interviews with businesspeople and public relations practitioners. Information gained from these interviews offered qualitative, narrative insights that informed development of research instruments for the quantitative phase of the research experiment. Interviews with these two distinct groups offered salient perspectives from representatives of the business management and public relations management.

Business people are frequently in the position of making critical decisions, such as purchase of goods and services, hiring of personnel, acquisitions and divestitures, financial investments in other businesses, and selection of business partners. Input of information received from multiple types of sources may contribute to business decisions made by businesspeople – decisions that can affect both the business of the decision maker and other involved parties, such as other companies and organizations or individuals within or outside of the business.

The role of public relations practitioners includes developing and executing media relations strategies to convey specific strategic messages and information on behalf of business organizations to selected, targeted audiences. Businesses seek to relay key messages and information to targeted audiences with the intent of benefitting their organizations. The desired

benefits may include enhancing organization reputation, acquiring new and retaining existing customers (both individual consumers and other businesses), hiring and retaining highly qualified personnel, and attracting investors. Public relations practitioners counsel business managers on message content; appropriate message source to represent the organization, e.g., internal or external third-party spokesperson; and selection of media channels for message delivery, e.g., newspapers, company annual reports and Web sites; and format of message delivery, e.g., news articles, advertisements/advertorials, business-sponsored online message boards and blogs, independent (non-business sponsored) Web sites, online message boards and blogs.

The education and experience of public relations practitioners places them in a position of knowledge and influence in the process of communicating business messages and information to targeted audiences. Gaining the insight of public relations practitioners will help ensure development of experimental conditions and instruments that are relevant and applicable to the business world. Additionally, the interviews with public relations practitioners will provide a reference point for examining the congruence or incongruence of viewpoints with business managers.

The purpose of the interviews was multifaceted: 1) Ascertain media preferences and frequency of use; 2) Assess attitudes toward various forms of media (traditional, i.e., newspapers, magazines, trade and professional publications, television, radio, newsletters and non-traditional, i.e., Internet Web sites, message boards, blogs, Twitter, Facebook and other social media sites; 3) gain insight into perceived credibility of various media forms; and 4) gain insight into perceived credibility of various sources of information – both original source (i.e., company, expert spokespersons, reporters, customer testimonials/word-of-mouth, financial and

business analysts) and media delivery source (i.e., newspapers, magazines, trade and professional publications, television, radio, newsletters, Web sites, message boards, blogs).

Interviews were conducted with 10 participants representing each group, public relations practitioners and business people, for a total of 20 participants. This number reflects the recommended sample size of 10 for in-depth interviews used by academic scholars conducting qualitative exploratory research (McCracken, 1988, p. 17). The use of individual interviews offered several advantages for the purposes of this study: 1) allowed for more comprehensive, in-depth discussions with individual participants; 2) provided flexibility for conducting participant interviews without constraints of schedules and geographic location, which help ensures diverse sample; and 3) fostered open expression of views, uninfluenced by others.

A purposive sample comprised of businesspeople and public relations practitioners was used for the qualitative research phase. This mode of sample selection ensured inclusion of businesspeople representing various types of job positions (i.e., manager, director, vice president, president/chairman, board member, etc.) and management functions (i.e., finance, marketing, sales, human resources, planning, customer relations, operations, purchasing, information services, etc.) across multiple industry categories (i.e., consumer products, manufacturing, financial services, consultancy, healthcare, services, retail, electronics, software, information technology, etc.).

Public relations participants included representation of both corporate and agency practitioners with different areas of expertise (i.e., corporate communications, marketing and product publicity, media relations, financial communications, internal and executive communications). The sample of both businesspeople and public relations practitioners also will

represent diversity of age, gender, ethnicity, years of work experience to provide input from

multiple perspectives.

The interviews were designed to take approximately 30 minutes. The interviews were

conducted by telephone or in-person by the researcher. The interviews were audio recorded,

with permission of the participants, and later transcribed for analysis. A set of approximately 10

questions (approved by the University of Georgia Institutional Review Board) were asked of all

participants. Confidentiality of all participants' identities was guaranteed, although permission

to use selected comments within the dissertation and possible published articles was requested.

Tapes of the interviews have been kept in a secure location and will be destroyed after

transcription and completion of the research study.

The use of a thematic coding approach for developing and analyzing the qualitative

portion of the study allowed for the inductive categorizing of interview comments in alignment

with specific questions designed to elicit responses on different concepts and themes. The

thematic coding approach has been widely used in communication research, and is seen as

consistent with such methodologies as content analysis and survey analysis (Jensen, 2002). The

roots of this methodology have links to the work of Lazarsfeld and Barton (1953) that developed

concepts of classification involving typology, indexing, and modeling.

While the implied third-party endorsement effect of media has been studied and analyzed

in the past (Cameron, 1994; Hallahan, 1999a; Hallahan, 1999b; Michaelson & Stacks, 2007), the

qualitative portion of this research was designed to assess its continued presence from the

perspective of both public relations practitioners and business people. This was done through

open-ended questions regarding perceived credibility of independent media sources (such as

newspapers) and controlled media sources (such as advertisements); perceived credibility of

quotations made by business spokespersons in the media; and perceived credibility of customer testimonials. To gain the added perspective of potential third-person effect, respondents were asked not only for their views, but also how they believed other business people and the general public viewed the credibility of the perspective sources. Participants also responded to inquiries about what media they relied upon for information and whether they used information obtained through the media in their daily work. In addition, public relations practitioners were asked whether their clients perceived any difference in value of media placements and paid advertising placements. Practitioners also were asked if media credibility was considered when determining targeting of media placement for news and information about their clients.

The guided interview method was selected because it offered the opportunity to gain insight into the attitudes and perceptions of multiple individuals, allowed for exploratory follow-up questions to add new thoughts and ideas, captured specific examples, and provided context and potential input for the experimental phase of the study. By using a set list of questions, responses of all participants could be coded and compared. At the same time, the interviewer improvised follow-up questions, when appropriate, to probe responses and gain additional information and insights from respondents.

Interview Participants

The interviews were conducted with 10 public relations professionals and 10 business people. A purposive selection process was used in an effort to secure input representative of a variety of types of public relations practices, organization sizes and industries. A total of 14 public relations practitioners and 15 business people were contacted by e-mail or telephone and were invited to take part in the study, with 10 of each group agreeing to participate. Participants were assured that their names and identifying information would be held confidential under

guidelines approved by the Institutional Review Board of the University of Georgia.

Pseudonyms were assigned to all participants quoted in the study. Those who volunteered were

offered an executive summary of the results of the study in appreciation of their time and

contribution.

The interviews took place between March 1 and May 1, 2009. Seventeen of the 20

interviews were conducted by telephone and three were done in person. All of the interviews,

which ranged in length from approximately 15 minutes to 45 minutes, were digitally recorded

and professionally transcribed. The researcher conducted all interviews.

Public Relations Practitioners

Of the public relations practitioners, four worked for corporations, three worked for

public relations agencies (including a larger firm with diversified clientele, a mid-sized regional

firm and a small boutique agency), two worked for nonprofit organizations, and one was a sole

practitioner. The roles of practitioners interviewed represented a number of communications

functions, such as media relations, marketing communications, internal communications,

strategic communication and planning. The industries represented included commercial banking,

consumer products, financial management and telecommunications. The nonprofit groups

included a major national organization and a small educational foundation. Organization size

varied, with four having fewer than 50 employees, two with 50-100 employees, one with

between 1,000 and 5,000 employees, one with between 5,000 and 10,000 employees and two

with more than 20,000 employees. The group reflected a range of professional experience – half

with 16 or more years of experience, four with 11-16 years of experience and one with a year of

experience. Five participants were male and five were female; seven held bachelor's degrees

and three received master's degrees in communications-related studies.

Business people

The business people participating in the interviews represented a diverse cross-section of industries, including an industrial machinery manufacturing, entertainment, consumer services, metals manufacturing, business consulting, electric power utilities, consumer products, construction engineering, chemical manufacturing, and advertising. Eight of the firms were public companies and two were privately held. Three of the companies had less than 500 employees, while two had between 1,000 and 10,000 employees, and two more had between 10 and 20,000 employees. Three companies had more than 20,000 employees.

The positions held by interview participants within their organizations ranged from upper-level management (member of board of directors, vice president and director) to mid-level managers. In terms of professional experience, two participants had 11-15 years, five had 16-20 years, two 21-25 years, and one had more than 25 years of experience working in business. Five participants were male and five were female; five had bachelor's degrees, two had MBA degrees, one held a master's degree in human resources; two were lawyers with J.D. degrees.

Qualitative Coding/Data Analysis

The analysis entailed listening to the audio recordings of all interviews two times. The transcriptions and notes taken during the interviews were read a minimum of two times and reviewed and cross-checked for accuracy against the actual recordings. Based on qualitative data analysis protocol suggested by Bogdan and Biklin (1998), the transcripts were first organized by specific question with responses grouped by the two respondent groups, public relations practitioners and business people. Next, initial coding was done to categorize and label the responses to each of the questions using a line-by-line process. Focused coding then was

implemented to eliminate, combine or further refine coding categories and to identify repeating concepts and broader themes that related to the various codes.

The coding process followed guidelines detailed by Berkowitz (1997) to 1) identify common themes in the responses to specific questions, as well as the presence or absence of patterns and repetition in the answers, 2) note any deviations from identified patterns and analyze possible explanatory factors, 3) consider the influence of participants' background and experience on their responses, 4) seek illuminating stories and examples to depth and understanding to general responses, and 5) compare responses to expectations based on other studies.

Quantitative Methodology

Subjects

The experiment was conducted between March 23 and May 15, 2009. Five hundred-fourteen subjects from Emory University, Georgia State University and the University of Georgia participated. Approximately 52.1% ($N = 268$) were graduate business students studying for a master's degree in business administration (MBA); the remaining subjects, 47.9% ($N=246$), were undergraduate students in business administration or communications. The experiment was implemented during allocated class time at the respective institutions. Classes were recruited through personal contacts of the researcher with the respective course instructors. Students were given the option of participating or not participating. All who completed the questionnaire received a USB flash drive for their participation.

To achieve confidence that manipulated conditions are exclusively responsible for observed differences in an experiment, the various groups receiving different levels of independent variables must be equivalent prior to experimental manipulation. Random

assignment of subjects to experimental groups produces equivalency and confidence, and is required for internal validity and selective control (Campbell & Stanley, 1963; Kennedy & Bush, 1985). In this experiment, all subjects were randomly assigned to the various manipulated conditions.

Experimental Design

The overall structure of the study design is a 7 (media channel) x 2 (source spokesperson) between-subjects experiment to investigate the implied third-party endorsement effects of different media channel and source spokesperson on the perceived persuasiveness of a business message. Implied third-party endorsement effect, conceptualized as perceived persuasiveness of the information presented, was operationalized through measurements of perceived credibility, attitude and behavioral intention.

Also, through the use of a blocking variable (covariate) the sample was grouped in one of two categories: low level of business knowledge or high level of business expertise. The measurement of "knowledge" was operationalized through measurement of self-assessment of business work expertise and experience. This allowed for an additional level of testing of relationships between level of audience experience, perceived credibility, attitude and behavioral intention.

Fourteen experimental treatment conditions were created reflecting media channel source and spokesperson source. Each participant in the experiment was assigned randomly to one of the 14 experimental conditions. Sample size for the experiment was 514 individuals (36 subjects per cell) based on an a priori analysis, medium effect size (d=.5), alpha = .0482841, and power = .815254.

The following chart depicts the overall structure of the study design.

Table 4.1

Experimental Manipulation Conditions

MEDIA CHANNEL

	Independent				Controlled		
SPOKESPERSON							
Company	Newspaper Article Company Spokesperson	Independent Web Site (no photo) Company Spokesperson	Independent Web Site (photo) Company Spokesperson	Independent Message Board Company Spokesperson	Advertorial Company Spokesperson	Company Web Site Company Spokesperson	Company Message Board Company Spokesperson
Customer	Newspaper Article Customer Spokesperson	Independent Web Site (no photo) Customer Spokesperson	Independent Web Site (photo) Customer Spokesperson	Independent Message Board Customer Spokesperson	Advertorial Customer Spokesperson	Company Web Site Customer Spokesperson	Company Message Board Customer Spokesperson

Experimental Manipulations

The experimental manipulations were based on an actual firm, PMG, Inc., an Atlanta-based software design, licensing and service company. Use of an existing company rather than a hypothetical firm added authenticity and external validity to the overall experiment and the individual treatment manipulations. The company agreed to participate in the experiment and provided access to background information on the business, its products and customers. Since the company is privately held and not widely known, the chance of preexisting knowledge of the firm by experiment participants was considered very limited. This helped to ensure that prior knowledge of the company or its products would not influence the responses of experiment

subjects. To confirm the knowledge level of subjects, the measurement instrument included a question to determine whether the participant had prior knowledge of PMG.

Twelve manipulations were prepared to reflect six different media channels (three independent and three controlled) and two spokesperson sources (company and customer). In addition, two treatments reflected one of the independent media channels and the two sources *including* a photograph depicting a person representing the original source (spokesperson.) This was done to also examine whether the presence of a photograph of a person had any influence on perceived credibility. (See Appendix D for copies of each of the 14 manipulations.)

The manipulations each contained a brief article, written by the researcher, based on actual information involving PMG and one of its customers, Rail Express. The information in the article came from existing articles, news releases, and information available on the PMG Web site. Some information was modified to reinforce the message and enhance the manipulation. The message (article) content was held constant across all channel and source treatments. The respective message sources were identified as a company spokesperson (who would have a vested interest in audience perception of the information and represent a controlled source) and a customer spokesperson (who would not have a vested interest in audience perception of the information and represent an independent source). The fictitious name of the spokesperson source, Chris Hudson, was identical for both companies. The name was specifically chosen to be gender-neutral. The position title of "vice president" was consistent for both the PMG and Rail Express source spokespersons. The level of vice president is senior level of management that would be likely to be quoted in an article on a company product and its performance.

Each of the 14 manipulation articles contained an identical two-line headline stating "PMG software puts Rail Express on fast track to greater efficiency." The headline was crafted to place emphasis on the benefit of PMG's software product for its customer, Rail Express. Each article also included a subhead that appeared directly below the main headline. The subhead reinforced the positive message of the benefit (efficiency and cost savings) conveyed by the software by saying, "Cuts costs 30 percent." It also attributed this benefit statement to one of the two source spokespersons, representing either the supplier company, PMG, or the customer company, Rail Express, who was directly quoted in the article.

All manipulations contained the same copy, except for attribution of the source spokesperson, which was either the company PMG or the customer Rail Express. The copy read as follows:

> ATLANTA, Feb. 12, 2009 – "Doing more with less" is the mantra heard as companies deal with tough economic times by looking for ways to cut expenses. The answer for some, though is to invest now in cost-saving software.
>
> Rail Express, Inc., a provider of railcars and freight-management services to the North American rail industry, is one company following that strategy. The company has invested in new software from PMG, Inc. to help reduce costs, improve service quality and gain efficiency.
>
> PMG is an industry leader in software systems that streamline in-house business processes. The firm markets iService, an award-winning online system for processing administrative service needs.
>
> Instead of playing "phone tag" or "e-mail tag" with support staff, Rail Express employees can log on to PMG's iService network and quickly place orders for new laptops or request software support, says Chris Hudson, vice president of PMG [or Rail Express].
>
> "Since implementing the iService network, Rail Express has reduced staff expenses by 30 percent and cut service response time nearly 50 percent," Hudson says. "The use of PMG's software has resulted in both more efficient operations and better service."

The article used in the manipulation was placed in seven different channel formats, four "independent" channels and three "controlled" channels. The representations in independent channels were an article on a newspaper Web site, an article on a research Web site – one without photograph of person representing spokesperson (source) and one with photograph, and a posting on an independent financial message board. The representations in controlled channels were an advertisement (advertorial format), a news release on company-controlled (PMG) Web site, and a posting on a company-controlled (PMG) message board.

An "online" format was used for all manipulations to allow for consistency in comparison among the different manipulations focused on channel and source, rather than an online or offline context. A professional Web site design firm was used to develop authentic representations of different online media channels. In the cases of the newspaper, independent research article and independent financial message board, actual Web sites were used to model the experimental manipulations. In the cases of advertorial, an actual Web site was used as a model; for the company Web site and company message board, the actual PMG Web site was used as the model.

In addition to the distinctive design of respective treatment types, each version had prominently placed labels indentifying what media source was represented. This was done to strengthen the manipulation effect of each treatment.

Manipulation Check Measures

The manipulation of media channel was tested by asking participants to identify the item that best-described what they just read from a list of the six media channels used (newspaper article – online, independent research article – online, financial message board posting, press release – PMG Web site, advertorial (advertisement) – online, customer testimonial – PMG

message board, or "other"). These identifications matched the labels used on each treatment version. The manipulation of source spokesperson was checked by asking participants to identify the item that best-described the person quoted in what they just read (Chris Hudson, PMG Vice President; Chris Hudson, Rail Express Vice President; and "other.") The manipulation involving the presence of a photograph of a person accompanying the independent research article was checked by asking respondents if "a photograph of a person appeared with the article they just read." Each copy of the survey instrument was number-coded to reflect the version of the manipulation that it contained so that it could be cross-checked against the selections of the participants.

Additionally, subjects' level of prior knowledge of PMG, the company featured in the manipulation material, was checked by asking subjects how well they knew the company prior to participating in the experiment on a scale of 1 (not at all) to 7 (very well).

Summary of Manipulations

Five-hundred-fourteen subjects, about half MBA students and about half undergraduate students, participated in the study over a two-month period for a small gift (USB flash drive).

As previously stated, the design of the experiment was a completely randomized seven (newspaper article, independent Web site article without picture, independent Web site article with picture, posting on independent message board, company news release, advertorial (advertisement) and posting on Company message board) by two (company spokesperson, customer spokesperson) factorial.

Subjects were assigned to one of the seven media channels and one of the source spokespersons. Thus, the experiment used a total of 14 different questionnaire versions. The 14 questionnaire versions were systematically ordered and were randomly distributed to subjects.

<u>Debriefing Statement</u>

Because the manipulations were partially fictitious, a debriefing statement was shared with subjects after they completed filling out the questionnaire. This statement said,

This study examines how business audiences perceive the credibility of information conveyed through different media and by different sources. PMG is a software company based in Atlanta. Rail Express is a pseudonym for an actual client of PMG. Chris Hudson is a pseudonym used to represent the person quoted in the material provided.

<div align="center">Measurement of Variables</div>

<u>Dependent Variables</u>

The dependent variables in this experiment were perceived credibility of messages delivered through different media channels and perceived spokesperson credibility, as well as attitude and behavioral intentions resulting from the message. The study tested for the presence of an endorsement, or enhancement, effect on the message as perceived by the audience, or message recipient, using measurements of perceived credibility and attitude/behavioral intent based on previously developed and validated indexes.

Credibility

A credibility measure was constructed for audience-perceived credibility of the type of media channel used to deliver the message. The media channels included a newspaper article online, independent research article online, financial message board, advertorial, press release posted on a company Web site, advertorial online and a message board on a company Web site. Another measure was developed to assess the perceived credibility of the independent spokesperson and corporate spokesperson. The message in all treatment materials were held constant across all channels.

The measurement scale used to capture perceived credibility of the media cannels was derived from several studies that examine specific dimension of media and message credibility: trustworthiness, believability and accuracy. Gaziano and McGrath (1986) created a credibility scale containing 12 items that has been used in by other researchers (Meyer, 1988; Newhagen & Nass, 1989; Rimmer & Weaver, 1987) While Gaziano and McGrath (1986) did not calculate a Cronbach's alpha for their index, subsequent tests of their credibility scale yielded Cronbach's alphas of .90 (Rimmer & Weaver, 1987) and .92 (Newhagen & Nass, 1989). Meyer's credibility index (1988) used a five-point Likert-type scale derived from the Gaziano and McGrath index to measure levels of perceived trust, accuracy, fairness, openness and bias. The scale, which had a Cronbach's alpha of .83, was initially developed to assess newspapers, but has been applied more broadly to other media and corporations. A news story credibility index developed by Sundar (1998, 1999, 2001) measured six characteristics of accuracy, believability, bias, fairness, objectivity and sensationalism, and had a .84. Flanagin and Metzger (2007) created a three-dimension scale for evaluating credibility of a health-related article on a Web site. The scales were based on a number of standard credibility measures, such as including believability, accuracy, trustworthiness, bias and completeness. The Cronbach's alphas for the measures were .87 for sponsor credibility, .85 for message credibility, and .91 for Web site credibility.

Attitude and Behavioral Intent

The dependent variable, attitude, was used to measure audience attitude toward the companies and software product depicted in the experimental treatments. The dependent variable, behavioral intent, was used to assess willingness to purchase a company's stock and the software product described in the treatment materials.

Measurement of behavioral intent is generally operationalized in marketing research as a single-factor concept, such as purchase behavior (Cronin & Taylor, 1992), or a multi-dimensional concept, such as future purchase intent and willingness to recommend the product or service (Boulding, Kalra, Staelin, & Zeithaml, 1993; Ajzen & Fishbein (1969, 1975).

The theory of planned behavior (TpB) advanced by Fishbein and Ajzen (1975) contended that the best indicator of actual behavior is behavioral intent. The primary factors that determine behavioral intentions are, according to TPP, attitude norm and self-efficacy. Attitude also has been linked in persuasion literature to source of information (Chaikin, 1987; Chaikin, Lieberman, & Eagly, 1989; Petty & Cacioppo, 1986). Given this relationship, a connection between source and behavioral intention is a reasonable assumption (Hu, 2007).

As previously noted, behavioral intentions are considered the best indicator of behavioral actions. Therefore, this study examined behavioral intent in relation to information presented in different sources to probe the potential connection or relationship between information source and actual behavior.

The second dependent variable, attitude and behavioral intention, was measured in a multi-dimensional context of attitude toward the original source (company), attitude toward the product, purchase intent, and willingness to recommend/endorse the company's stock. A 7-point Likert-type scale (ranging from 1 for "extremely unlikely" to 7 for "extremely likely") was used to measure attitude and intended actions following exposure to the respective treatments. To determine if the three items reflect a common measure, i.e., behavioral intent, a principal components factor analysis with varimax rotation was conducted, producing a single factor with an eigenvalue greater than 1.

<u>Covariate/Blocking Variable</u>

In addition, a blocking variable (covariate) was used to assess level of business expertise of the study participants. The measurement for this grouping was based on three tested and validated measurement scales: 1) a multidimensional measurement instrument of professional expertise developed by Van Der Heijden (2000), 2) a measurement scale on competency created by McCroskey and Richmond (1996), and 3) a self-report cognitive appraisal scale by Yanchus (2006).

<u>Questionnaire</u>

Pretest Items

The questionnaire opened with a series of questions developed to assess the level of business experience of the subject. These questions included self-assessment of experience as a business manager, qualifications to be a senior business manager and ability to make business decisions. Other questions asked respondents how many years they had of full-time business work experience, part-time business work experience and business education at the college/university level.

Next, subjects were asked to complete a series of pretest items designed to measure their pre-existing perceptions of the believability or lack of believability of 17 different forms of media, such as newspapers, television, business magazines, company Web sites and online blogs. These items were included for possible use as a covariate in data analysis and consisted of 17 semantic differential-type items. Responses ranged from "1" to "5" with "1" representing "believable" and "5" representing "cannot believe." An additional response, "6," was available indicating "don't know/no opinion." In statistical analysis to test hypotheses this response was recorded as missing data.

After completing the pretest section, subjects were told to turn the page and read the material provided and then answer the questions that followed. Subjects were told to take special note of the source of the material and were told they could look back at article when answering the questions, if so desired.

Posttest Items

After reading their randomly assigned material (one of the 14 different versions of the manipulations), subjects were asked a series of manipulation-check questions. As discussed previously, these questions asked participants to identify the media channel and spokesperson quoted in the material read and to state whether or not a photograph appeared with the material. Subjects were asked to "Circle the item that best describes what you just read." The choices, which matched headings that were placed at the top of each treatment to strengthen the manipulation effect, included:

> Newspaper Article - Online
> Independent Research Article - Online
> Financial Message Board Posting
> Press Release - PMG Web Site
> Advertorial (advertisement) - Online
> Customer Testimonial - PMG Message Board
> Other (please describe:_____)

Next, subjects were asked to "Circle the item that best describes the person *quoted* in what you just read." The choices, which matched headings that were placed at the top of each treatment to strengthen the manipulation effect, included:

Chris Hudson, PMG Vice President

Chris Hudson, Rail Express Vice President

Other (please describe:_____)

Finally, subjects were asked to respond either "yes" or "no" when asked to "Circle your response to the following question: Did a photograph of a person appear with the article you just read?"

Subjects then were presented with 14 semantic-differential type questions used to measure the perceived credibility of the material they just read. In the questionnaire for this study, subjects were instructed "Thinking about what you have just read, circle the number closest to the statements that best describe your evaluation of the material. The items were scored 1-to-7 with 7 being the most positive. The items included:

Fair-Unfair
Biased-Unbiased
Tells the whole story-Does not tell the whole story
Accurate-Inaccurate
Considers reader's interest-Does not consider reader's interest
Does separate fact and opinion-Does not separate and opinion
Can be trusted-Cannot be trusted
Is concerned about the public interest-Is concerned about making profits
Factual-Opinionated
Persuasive-Not persuasive
Valuable-Worthless
Believable-Not believable
Not informative-Informative
Boring-Interesting

This was followed by 18 semantic-differential type questions to measure the perceived credibility of the spokesperson quoted in the material they just read. In the questionnaire for this

study, subjects were instructed "On the scale below, please indicate your feelings about Chris

Hudson, the person who is quoted in what you have just read. Circle the number between the

adjectives that best describes your feelings about this person." The items were scored 1-to-7

with 7 being the most positive. The items included:

> Reliable-Unreliable
> Unfriendly-Friendly
> Selfish-Unselfish
> Intelligent-Not intelligent
> Unqualified-Qualified
> Pleasant-Unpleasant
> Inexpert-Expert
> Valuable-Worthless
> Honest-Dishonest
> Uninformed-Informed
> Unbiased-Biased
> Qualified-Unqualified
> Trustworthy-Not trustworthy
> Confidential-Divulging
> Exploitive-Generous
> Deceptive-Candid
> Sincere-Insincere
> Considerate-Inconsiderate

The previous two sets of questions were used as dependent variables to evaluate

participants' perception of credibility of the material and the spokesperson.

Next, in the questionnaire for this study, subjects responded to 3 statements using

a Likert-type scale to measure dependent variables to assess attitude toward the

companies and product mentioned in the reading material. The three statements were:

> Please rate your attitude toward the company, PMG.
> Please rate your attitude toward the company, Rail Express.
> Please rate your attitude toward iService software.

For each of the statements above, subjects were instructed to "circle the numbers

between the adjectives that best represent your feelings about subject indicated." The

items were scored 1-to-7 with 7 being the most positive. The adjectives used for

measurement were:

> Positive-Negative
> Unfavorable-Favorable
> Like-Dislike

Next, in the questionnaire for this study, subjects responded to three statements using a

Likert-type scale to measure dependent variables to assess purchase intent toward the product

mentioned in the reading material. Subjects were instructed to "assume that you are in a position

to purchase a software program to manage corporate administrative services for a company.

Please circle the terms that best describe your level of agreement or disagreement with the

following statements." Items were scored 1-to-5 with 5 representing "strongly disagree" and 1

representing "strongly agree." Items included:

> I would be interested in purchasing PMG's iService software.

> I would feel confident purchasing PMG's iService software.

> I would recommend PMG's iService software to a company looking for a
> software program to manage corporate administrative services.

Next, in the questionnaire for this study, subjects responded to four statements using a

Likert-type scale to measure dependent variables to assess purchase intent of stock in the

companies mentioned in the reading material. Subjects were instructed to "assume you are an

investor who is considering companies in which to invest your money. Please circle the terms

that best describe your level of agreement or disagreement with the following statements." Items

were scored 1-to-5 with 5 representing "strongly disagree" and 1 representing "strongly agree."

Items included:

I would be interested in purchasing shares of PMG stock.

I would feel confident purchasing shares of PMG stock.

I would be interested in purchasing shares of Rail Express stock.

I would feel confident purchasing shares of Rail Express stock.

Next, in the questionnaire for this study, subjects responded to two statements using a Likert-type scale to measure dependent variables to assess attitude toward and purchase intent of stock in the companies mentioned in the reading material. Subjects were instructed to "assume you are responding to friends or colleagues who have asked for your advice on good stocks to purchase. Please circle the terms that best describe your level of agreement or disagreement with the following statements." Items were scored 1-to-5 with 5 representing "strongly disagree" and 1 representing "strongly agree." Items included:

I would recommend that people consider buying PMG stock.

I would recommend that people consider buying Rail Express stock.

Procedure

Experiment participants were shown online screenshots of the respective treatments and then asked to respond to a series of questions to measure perceived credibility, attitude and behavioral intent. The decision to administer the experiment on paper instead of online provided the researcher greater control over the assignment and completion of the individual questionnaires. It also ensured greater consistency of the environment and conditions under which the experiment was completed by participants.

Altogether, the experimental questionnaire consisted of 107 items, with two open-ended questions (age and grade point average). The experimental treatment accounted for one page,

and the questionnaire numbered nine pages (on legal-sized paper), including the required

University of Georgia Institutional Review Board consent form cover sheet. This sheet informed

subjects of their rights and responsibilities as a research subject. It also told subjects

> This study is to add to the understanding of business communication and will
>
> contribute to broader societal knowledge used by scholars and business
>
> professionals related to public relations, media relations, and business-to-business
>
> communication. By taking part in this student, participants will benefit from
>
> gaining experience in and knowledge of the academic research process, as well as
>
> insight into business communication…To make this study a valid one some
>
> information regarding participation will be withheld until completion of the study.

Subjects were asked to complete the questionnaire independently and were observed to

ensure that the procedure was followed. Subjects took from 12 to 20 minutes to complete the

questionnaire. Consent forms and completed questionnaires were collected separately to ensure

anonymity of participants and their responses.

Pilot Test

The various experimental treatments, pre-treatment questions, manipulation checks and

primary dependent variables were pre-tested with a pilot test that included all major elements of

the final questionnaire and was approximately the same number of questions. The pilot test was

conducted about two weeks prior to the start of the actual experiment. A total of 57 people

volunteered to participate in the pilot, including 33 undergraduate business students at Emory

University, 13 undergraduate public relations students at the University of Georgia, and 11 MBA

students at Georgia State University. On the basis of results of the pilot test, minor adjustments

were made to some items and instructions, and some manipulation check items were revised.

Data collected in the pilot test were omitted from final data analysis.

As part of an oral debrief after administration of each pilot test session, subjects were asked how realistic the experimental manipulations appeared to them. The feedback consistently confirmed that the experimental manipulations were realistic and comparable to actual Web site presentations.

The next chapter discusses results of the qualitative research conducted through interviews with public relations practitioners and business people. Quantitative research results from the experimental study are presented in a separate chapter that follows the qualitative results.

CHAPTER 5

QUALITATIVE RESEARCH RESULTS

Overview of Qualitative Research

Interview Participants

Interviews were conducted with 10 public relations professionals and 10 business people, purposively selected in an effort to secure input from a variety of types of public relations practices, organization sizes and industries. A total of 14 public relations practitioners and 15 business people were contacted by e-mail or telephone and were invited to take part in the study, with 10 of each group agreeing to participate. Participants were assured that their names and identifying information would be held confidential under guidelines approved by the Institutional Review Board of the University of Georgia. Pseudonyms were assigned to all participants quoted in the study. Those who volunteered were offered an executive summary of the results of the study in appreciation of their time and contribution.

The interviews took place between March 1 and May 1, 2009. Seventeen of the 20 interviews were conducted by telephone and three were done in person. All of the interviews, which ranged in length from approximately 15 minutes to 45 minutes, were digitally recorded and professionally transcribed. The researcher conducted all interviews.

Public Relations Practitioners

Of the public relations practitioners, four worked for corporations, three worked for public relations agencies (including a larger firm with diversified clientele, a mid-sized regional firm and a small boutique agency), two worked for nonprofit organizations, and one was a sole

practitioner. The roles of practitioners interviewed represented a number of communications functions, such as media relations, marketing communications, internal communications, strategic communication and planning. The industries represented included commercial banking, consumer products, financial management and telecommunications. The nonprofit groups included a major national organization and a small educational foundation. Organization size varied, with four having fewer than 50 employees, two with 50-100 employees, one with between 1,000 and 5,000 employees, one with between 5,000 and 10,000 employees and two with more than 20,000 employees. The group reflected a range of professional experience – half with 16 or more years of experience, four with 11-16 years of experience, and one with a year of experience. Five participants were male and five were female; seven held bachelor's degrees and three received master's degrees in communications-related studies.

Business people

The business people participating in the interviews represented a diverse cross-section of industries, including an industrial machinery manufacturer, entertainment, consumer services, metals manufacturer, business consulting, electric power utilities, consumer products, construction engineering, chemical manufacturing, and advertising. Eight of the firms were public companies and two were privately held. Three of the companies had fewer than 500 employees, while two had between 1,000 and 10,000 employees, and two more had between 10 and 20,000 employees. Three companies had more than 20,000 employees.

The positions held by interview participants within their organizations ranged from upper-level management (member of board of directors, vice president and director) to mid-level managers. In terms of professional experience, two participants had 11-15 years, five had 16-20 years, two 21-25 years, and one had more than 25 years of experience working in business. Five

participants were male and five were female; five had bachelor's degrees, two had MBA degrees, one held a master's degree in human resources; two were lawyers with J.D. degrees.

<center>Credibility of Independent Media vs. Controlled Media</center>

The researcher's initial premise of the existence of implied third-party endorsement effect of independent media stemming from perceived credibility of independent media compared to controlled media was supported overall by the interviews conducted with both public relations practitioners and business people.

Among the 10 public relations practitioners interviewed, nine said they definitely perceive independent media to be more credible than controlled media, and one person found independent media somewhat more credible than controlled media. Seven of the public relations practitioners said that they thought business people definitely perceive independent media as more credible than controlled media, and three practitioners said that business people view independent media somewhat more credible than controlled media. According to the public relations practitioners, the general public does not feel as strongly about the credibility of independent media compare to controlled media. Four public practitioners said that the public definitely views independent media as more credible than controlled media; four said the public sees independent media somewhat more credible than controlled media; and two said the public does not distinguish any difference in credibility of independent media and controlled media.

Among the 10 business people interviewed, eight said they definitely perceive independent media as more credible than controlled media, while two found independent media somewhat more credible than controlled media. Six of the business people said that other business people definitely perceive independent media as more credible than controlled media, three said that business people view independent media somewhat more credible than controlled

media, and one said that business people do not distinguish any difference in credibility of independent media and controlled media. Seven of the business people said the general public definitely or somewhat views independent media as more credible than controlled media, and three said that the public perceives independent media and controlled media as having the same level of credibility.

These results are summarized in the table below.

Table 5.1.

PR/Business People Interviews: Credibility of Independent Media vs. Controlled Media

	Independent Media More Credible than Controlled Media	Independent Media Somewhat More Credible Than Controlled Media	Independent and Controlled Media Same Credibility
PR Practitioners			
Self	9	1	0
Business People	7	3	0
Public	4	4	2
Business People			
Self	8	2	0
Business People	6	3	1
Public	7	0	3

Public Relations Practitioners' Views on Credibility of Independent and Controlled Media

Interestingly, some PR professionals perceived greater credibility of independent sources, because they recognized the advocacy role they play in their own work. Independent PR practitioner Barbara said,

I know that part of my job is to put people in the best possible light. Not being dishonest, but just playing up their strengths, and ideally a good newspaper or radio, television and

other media outlets are digging to get at the actual facts of the situation. So that gives more credibility as would recognition by a professional association or some kind of reviewing board.

An assumption that editors and reporters are unbiased whereas companies are biased was another explanation for perceiving higher credibility of media. Marketing communications professional Jill observed that reporters are considered to have no bias, while a company that puts out an advertisement obviously has a self-interested perspective it wishes to advance. Erin, a young public relations professional just beginning her career, said

> I think that individuals look at third parties as objective bystanders who are really more investigating on their behalf than investigating on behalf of the readership or their viewers to get them the true answers. Whereas someone who is paying for an advertisement, only wants you to see the good side of whomever they are working for.

Because the controlled message is "scripted and approved," it lacks the credibility conveyed by a message communicated through an independent third-party channel, said strategic communications consultant Greg.

A number of public relations professionals noted a cynicism toward and resistance to messages designed to "sell" or "persuade." Wayne, a corporate communications executive, observed,

> Just intuitively, it makes sense that when people see advertising over the course of their lives, they become more cynical about it … and they start thinking about the fact that they are being sold to. That is the nature of advertising, but I think that people still, by and large, view news media outlets as credible and objective, unfortunately sometimes.

He added that people consume media and advertising differently and are less cynical about accepting information they receive through the news media. "They have a fundamental belief that the news media is more objective, generally, and certainly more objective than advertising."

Having an educational and/or professional background in journalism was a factor for some public relations professionals' views that independent media channels are more credible than controlled channels. One corporate media relations expert with a journalism education background, Perry, said that "being trained that way, you want to believe that what you read and see in the news media is relatively unbiased and well-researched."

Several public relations practitioners, while acknowledging the greater perceived credibility of the news media, still expressed some skepticism. A public relations professional with extensive corporate and nonprofit experience, Ellen, said that coverage by independent media has greater credibility because "at least there is the possibility that it has been vetted and screened, and the fact that it is not paid for allows for some balance and for some other voices in the story." Nevertheless, she said she had worked with reporters who "never let the facts get in the way of the story," meaning they selectively included or excluded information in their stories or failed to check their facts.

While agreeing that independent sources, such as the news media, are more credible than controlled sources, such as advertising, public relations professional Tim emphasized that independent sources did not guarantee credibility. Information that is conveyed through independent sources is not inherently credible, he said, but it is perceived as more credible than information coming from a controlled source. He explained further with an example: "If company X put out a press release, I am going to be more skeptical about that release versus a

story about company X that was published in the Atlanta Constitution." Despite this view, Tim raised a concern shared by several practitioners about the declining credibility of the news media. "These days I'm going to be much more suspicious even about that newspaper article in the Constitution than I might have been 10 or 20 years ago," he said.

High-profile situations that call into question the veracity of certain mainstream media also have influenced practitioners' perceptions of credibility. Circumstances of plagiarism and inaccurate reporting, and necessary retractions, resulting from lack of fact checking, have diminished the perceived believability of media in general, some public relations practitioners commented. "That said," agency practitioner Tim commented, "I still think people will say, if you read it in the newspaper, there is some degree of credibility to it versus the company or the organization saying it."

PR Practitioners' Views on Business People's Perceptions of Credibility of Independent and Controlled Media

Business people may have a slightly different perspective in viewing the credibility of media versus companies as a source of information, observed several public relations professionals. Agency practitioner Tim called it a "peer-to-peer type thing." He explained,

There might be a certain level of camaraderie in business, where everyone knows that the media is going to interpret the way they want to interpret something. So it is sort of an 'us' and 'them' type of thing. If company A were to put out a press release, company B would probably think that basically everything that company A has said is more likely on the up-and-up only because they have been through that process themselves. Unless it is just someone notorious such as the Enron situation, which is totally tainted, I think that businesses are probably less suspect of each other because they know that the media can take things and twist and turn it to get the story that they want.

"I think that business people would have a degree of cynicism about advertising or at least understand that they are being marketed to," observed Kirk, a public relations executive. "Ironically, in my experience some of the most gullible tend to be marketers themselves because when they see advertising they view it through the eyes of the advertiser because they create advertising themselves."

He went on to say that, in his experience, some business people view the credibility of the media differently, depending on whether the coverage is about their own company or other companies. They are more cynical about coverage of their own business, but consider news coverage of other businesses as objective and believable, Kirk said. He added,

From the perspective of how business people view media, I think that there is this dichotomy in their head," he said. "When it is business media talking about their business, owners and managers view it very cynically and very suspiciously and almost very simplistically. They ask, 'why won't they say this in the story, why won't they use all of the advertising that they are writing about, why didn't they use my quote exactly like I said it, or why cannot I see the story ahead of time?' You hear a lot of that, as well, where we work.

It has been my experience in conversations with business people about things that are going on in the news having nothing to do with us, where they believe it absolutely to be true. When somebody from the PR profession can sort of lift the curtain a little bit and explain to them how that story might really have happened and why that sound bite turned out that way, they look like they are surprised. It is new information to them. But yet, when the stories are about their business, they are highly sophisticated and critical, and a bit naïve about the truthfulness of the story.

The value that some business people place on information that appears in the news media reflects their belief in its credibility, a number of public relations practitioners noted. Giving a specific example, Jill commented,

> When I worked in public relations for a power company, any article that we were
>
> successful in placing through PR versus running advertising we counted it three times.
>
> When we were trying to show the value of PR, if an advertisement was a certain size, and
>
> we got a story that was a similar size, that story counted three times the value of the
>
> advertisement. The cost of the public relations placement was viewed as three times the
>
> value of the same size advertisement.

Working for a nonprofit group, public relations practitioner Ellen echoed that sentiment of value when talking about the impact of newspaper articles on business people who serve on her organization's board of directors:

> We have put out messages that are paid versus editorial. When some of the business-
>
> focused members of our board see a story, editorially, in the newspaper or hear
>
> something on NPR about us or on CNN, it completely boosts the credibility of what they
>
> think about us versus what we tell them about us."

In a contrasting view, this sense of insider knowledge or understanding may add to business people's cynicism about information disseminated by other companies. Public relations professional Ellen summed it up:

> It's kind of like people who are sausage makers, looking at other people's sausage
>
> thinking, yeah, but what is really in it? I think that business people know how earnings
>
> statements and stories are crafted and presented and positioned. At least the people that I

know in business are pretty cynical or skeptical about formal quotes and pronouncements

and statements of other companies.

<u>Public Relations Practitioners' Views on Public Perception of Credibility of Independent and</u>
<u>Controlled Media</u>

The general public, however, is likely to be less critical and more accepting of news

media content, the public relations practitioners said. People "read the headlines and the first

three paragraphs, and basically, given human nature, believe what was said," commented PR

agency practitioner Tim. "There is probably a certain trust the public feels that companies are

going to put out correct things, but then I also think that people are just as gullible as the next

person. In a lot of cases, perceptions of credibility probably depend on the media that is

delivering the news."

Another corporate public relations practitioner, Kirk, expressed it this way: "As a

general statement, I think that John Q. Public is still very trusting of media and editorial content

and much more cynical about advertising. Which is not to say that advertising does not work; it

just means that advertising has to overcome a higher hurdle to resonate with consumers than

news editorial messages. I just think that, intuitively, if it looks, smells or in any way resembles

advertising John Q. Public is going to be more cynical than if it looks and smells and appears to

be editorial content."

The matter of media literacy and the education level of the audience influence the

perceived level of media credibility, according to several public relations practitioners. Public

relations strategy consultant Greg said,

It would probably depend on the educational strata that you are talking about in terms of

the general public. I would say the higher educated would be leaning more towards

seeing the same credibility for third-party independent media versus controlled media,

and (among) the lower educated strata would there would not be such delineation of

perceived credibility.

Public relations practitioner Barbara expressed concern about young people taking

information from Internet sources that are not peer reviewed. "I think it may be generational.

The generation coming up now is so accustomed to getting and believing things off of the

Internet that they do not discriminate between sources the way others might," she said.

In contrast, however, some PR practitioners agreed with their colleagues who noted that

the public has "cynicism about anything they read anymore." For example, public relations

practitioner Ellen said,

> I think people know when they are being sold something when they hear it in a paid or
>
> controlled context. People have been sold such a bill of goods over the past 20 years.
>
> There has been a big shift in the level of trust that is placed in pronouncements by
>
> commercial or nonprofit voices, whether it is the Red Cross or Enron. I think the first
>
> question people ask of paid advertising is 'is it true, is it trusted' versus something that
>
> still smacks of news. News coverage still carries the perception of being more likely to
>
> report facts.

Business Peoples' Views on Credibility of Independent and Controlled Media

Business people interviewed agreed with public relations professionals that independent

news sources are viewed as more credible and accurate than controlled sources, such as paid

advertisements. For many of the business people interviewed, advertisements or controlled

sources represent a selling tactic designed to influence individuals to purchase something or

think a certain way. In contrast, an independent source has no vested interest in influencing

people one way or the other, they commented. Rather, its intent is simply to report or record news and information from an unbiased perspective.

An attorney, Karen, experienced in working with consumer products companies, said, "If it is a paid advertisement, you generally think that advertisers are slanting or interpreting the facts to suit their desires to show their product or services in a more favorable light."

Advertising executive Rick, who also acknowledged the perceived bias, said, "In an advertisement, obviously, the message is slanted – not so much slanted, but the message is more controlled as opposed to something that comes from new source that is from an independent thinker, or somebody who offers an opinion. So I think that, you know, a newspaper article, even though it usually comes from only one person, has less bias."

One business executive who holds an MBA degree took an economic perspective in saying that he generally accepts data that appears in the news item, compared to information coming from a controlled source. "I just think that, for example, if you called me up and asked me the best way to make your building more efficient, I am more likely to give you our press release or, typically, say what we do is the best way to accomplish that," Wayne said. In materials they control, businesses "would tend to stress those things that support their case versus an independent news item," he added. Reflecting some skepticism about the media, however, Wayne suggested that news sources and their content may be impacted by their advertisers.

The perception of third-party objectivity of independent media was cited by several of the business people interviewed. A human resource manager Kelly explained, "At least in theory you think the third-party media is trying to be objective and is not trying to position a product or situation or spin it in a certain way, versus a company. I think companies do a lot of spin." She

extended the concept of spin to companies that use product placement in television shows. "It is really easy and slick and you get sucked into it, but at the same time when you step away from it, it's like, oh, this is being positioned so that I see it and there are good things to be said about it. Versus if I read about a product in a newspaper article, I would think it would be more objective. I would hope the media would be concerned about other things such as objectivity versus the sole focus being on the product."

<u>Business Peoples' Views on How Other Business People and Public Perceive Credibility of Independent and Controlled Media</u>

The business people interviewed generally believed that other business people considered independent media sources as more credible than controlled sources. At least one person Greg, however, thought that others may be less critical of controlled source information than he himself was. "Well, my experience is, I am a little more jaded than most people," he said.

Business people, overall, gave less credit to the general public than themselves or other business people as being discerning consumers of information. Business people suggest the average person doesn't perceive a difference between information presented by an independent source or a controlled source.

<div align="center">Credibility of Quotations</div>

Both the public relations and business interview subjects perceived quotations in newspaper or magazine articles as having limited credibility. Similarly, both public relations practitioners and business people believed that business people view quotations with limited credibility. However, both public relations practitioners and business people said that the public, in general, considers quotations in articles as having credibility.

None of the 10 public relations practitioners interviewed said they perceive quotations in articles as wholly credible; seven said they perceive quotations as somewhat credible; and three

said quotations were not at all credible. Two of the public relations practitioners said that business people perceive quotations as credible; four said that business people view quotations as somewhat credible; and, three said quotations were not credible. According to the public relations practitioners, however, the general public tends to find quotations more credible than PR people or business people. Five public relations practitioners said that the public views quotations as wholly credible; three said that the public sees quotations as somewhat credible; and two said that the public perceives quotations as not at all credible.

None of the 10 business people interviewed said they perceive quotations in articles as wholly credible; eight said they perceive quotations as somewhat credible; and two said quotations were not at all credible. None of the business people said that other business people perceive quotations as wholly credible; nine said that business people view quotations as somewhat credible; and one said that quotations were perceived as not at all credible. Even more than public relations practitioners, the business people believed that the general public tends to find quotations more credible than PR people or business people. Eight business people said that the public views quotations as wholly credible; two said that the public sees quotations as somewhat credible; and none said that the public perceives quotations as not at all credible.

These results are summarized in the following table.

Table. 5.2   PR/Business People Interviews: Credibility of Quotations

	Credible	Somewhat Credible	Not Credible
PR Practitioners			
Self	0	7	3
Business People	2	4	3
Public	5	3	3
Business People			
Self	0	8	2
Business People	0	9	1
Public	8	2	0

Public Relations Practitioners' Views on Quotations

        Public relations practitioners generally viewed quotations as somewhat credible, but

tempered their statements with a dose of skepticism. Public relations agency practitioner Erin

said that she saw quotations as "highly credible but with a certain level of opinion intertwined in

their responses. So I think it is credible if you take it as an opinion."

        "First, you can always tell if it was written for someone. That is pretty easy to sniff out

simply because a lot of them are just very canned," said public relations agency practitioner Tim.

"The quotes that are more believable are the ones that are fresher and more real, and it's nice to

see one of those. The more realistic it is, the more credible it is to me."

        While sole public relations practitioner Barbara generally finds quotations believable, she

still wants "to know what the quote means between the lines. I believe spokespeople, but I just

kind of want to know what's behind them, behind what they are saying."

Another mixed view of credibility of quotations was expressed by corporate communications practitioner John:

I think they're credible in the sense that you can believe that they were given by that person, and the question is 'How believable are they?' That's where you're tending toward less believability, because it's almost advertising, in the sense that you know the person being quoted has a message they're trying to get out there or has something they're trying to sell, whether it's a product or an issue whose side they're on. So you just look at it, I think, with a little bit more skepticism – I do.

The knowledge of how quotations are crafted by public relations people made many practitioners skeptical of quotes they read in articles. Ellen, a public relations practitioner for a non-profit organization, commented:

I know what I do to people's quotes. You take out something in the middle or something in the beginning or the end, and it totally changes it. It's like "I wish I could say this is the best thing that ever happened to me" becomes "This is the best thing that ever happened to me."

Acknowledging that she "makes up quotations all the time" in her work, marketing communications professional Jill said, "I don't know how credible they are, so I don't see much value in the quotations. I mean, we always put them in, so someone must see some value in them." Nevertheless, when she sees quotations in published articles, "I personally think they're made up by some writer."

Corporate communications professional Christa knows that quotations frequently are not actual statements made by individuals and that makes her skeptical of their credibility. Yet, she admits that she often accepts quotes as they appear in publication:

Since I have seen some of the behind-the-scenes stuff, I don't really think it is the person quoted talking, but it is the people around them who are talking. And I know, or I feel like, what is being said has been scrutinized so much and tweaked and all that kind of stuff, so my logical side says it really isn't the person quoted per se talking, but when I actually read something in an article, yeah, I guess I kind of buy into it.

Skepticism about the credibility of quotations also was expressed by corporate public relations practitioner Perry: "I know full well how we spin things. I personally am skeptical about everything I read. I have to take any article in total, hoping that it is in fact fair and balanced, as the saying goes."

PR Practitioners' Views on Business People's Perceptions of Quotations

The public relations practitioners expressed mixed perspectives on business peoples' perceived credibility of quotations. Marketing communications professional Jill commented, "I would say, yes, that business people probably see them as credible." A more tempered viewpoint was expressed by public relations agency practitioner Erin. "I would say that most people … understand that someone speaking on behalf of a business has that business's best interest at heart and so the information may be biased, only being a certain side of the story."

Context also plays a role in how business people may look at a quotation. Public relations agency practitioner Tim said,

I think that probably if they saw it in the company's press release, business people would know that the person quoted likely had help making up that quote. If they read the quote in the newspaper, I think there is a pretty good chance that they "know" that the person quoted said that.

PR Practitioners' Views on the Public's Perception of Quotations

"I think, in general, there's cynicism in the public about anything they read anymore," said corporate public relations practitioner Perry. That sentiment was echoed by corporate communications practitioner John:

I think generally people are skeptical and so I think that quotes from people who work for companies are not as credible. They are viewed with a little bit of skepticism. They may have that ring of credibility and may be believable, but I think some people will still be a little reticent in being 100 percent behind it. They will have some level of skepticism."

"Right now I think corporate America is at an all-time low for credibility," said sole public relations practitioner Barbara. Referring to corporations seeking financial bailouts from the federal government holding lavish meetings and sponsoring costly events, she said,

It's not a dishonesty thing, but it is a betrayal of trust, I think, when your company gets all this government money and then sends employees on a junket to Las Vegas. And it is also the stupidest thing I've ever heard. I mean talk about something that is going to make a PR director sick to her stomach is executives flying in a corporate jet when their company is begging for federal money. So I think there is a lot of disillusionment. I don't know how much of that translates into distrusting the spokesperson, but, you know, when I think about it, I think it does.

On the flip side, public relations agency practitioner Tim said, "I think they probably take quotes at face value because the public doesn't understand in most cases what goes on to create those quotes." Expressing a similar view, corporate communications professional Christa commented, "The public would view quotes as real."

Business People's Views of Quotations

Overall, the business people interviewed saw quotations in independent media articles as relatively credible, but generally acknowledged they represent a decided point of view. They felt other business people shared this view, while the general public was likely to see quotations as more credible than business people did. Michelle, a human resources executive at a large manufacturer, said, "I think they are relatively credible, but I think that anybody who works for a company knows that those company's spokespeople are well-versed and know exactly what to say."

The context of the quotation can influence its perceived credibility. Corporate manufacturing executive Wayne said,

> I guess it really depends on the context of the article. If it is an interview and you can see that the quote is conversational, I tend to believe, yes, that is exactly what someone said. I know that I have been quoted in articles where our nice PR person wrote exactly whatever I said. I mean, it was credibly what the company was messaging on the subject, but it certainly wasn't coming from me.

A corporate manufacturing executive, Andy, said he believed that business people take relatively little note of quotations. "I think that generally business people look at quote in an article as well just another part of the sentence; that it is just a different way of phrasing, versus literally somebody's words, what they have spoken."

Business people expressed the opinion that the general public is much more willing to believe and find credibility in quotations than either public relations practitioners or other business people. One businessman, Wayne, said, "The general public pops open any Web site and reads it as the gospel truth."

Credibility of Customer Testimonials

Overall, both the public relations and business interview subjects perceived customer testimonials as at least somewhat credible. Similarly, public relations practitioners believed that business people view customer testimonials as being at least somewhat. However, both public relations practitioners and business people said that the public, in general, considers customer testimonials to be credible.

None of the 10 public relations practitioners interviewed said they perceive quotations in articles as wholly credible; seven said they perceive quotations as somewhat credible; and three said quotations were not at all credible. Two of the public relations practitioners said that business people perceive quotations as wholly credible; four said that business people view quotations as somewhat credible; and three said quotations were not at all credible. According to the public relations practitioners, however, the general public tends to find quotations more credible than other public relations practitioners or business people. Five public relations practitioners said that the public views quotations as wholly credible; three said that the public sees quotations as somewhat credible; and two said that the public perceives quotations as not at all credible.

None of the 10 business people interviewed said they perceive quotations in articles as wholly credible; eight said they perceive quotations as somewhat credible; and two said quotations were not at all credible. None of the business people said that other business people perceive quotations as wholly credible; nine said that business people view quotations as somewhat credible; and one said that quotations were perceived as not at all credible by other business people. Even more than public relations practitioners, the business people believed that the general public tends to find quotations more credible than public relations practitioners or

business people. Eight business people said that the public views quotations as wholly credible;

two said that the public sees quotations as somewhat credible; and none said that the public

perceives quotations as not at all credible.

These results are summarized in the following table.

Table 5.3   PR/Business People Interviews: Credibility of Customer Testimonials

	Credible	**Somewhat Credible**	**Not Credible**
PR Practitioners			
Self	4	6	0
Business People	6	4	0
Public	8	2	2
Business People			
Self	4	5	1
Business People	4	5	1
Public	9	1	0

Public Relations Practitioners' Views on Customer Testimonials

Public relations practitioners are utilizing customer testimonials as part of their

communications outreach, based on the feedback from several of those interviewed. When

asked about her thoughts on the credibility of testimonials, public relations practitioner for a

nonprofit educational foundation, Ellen, said, "You know I've been thinking about that lately,

because we use a lot of quotes and testimonials from our foundation's fellows." She went on to

say, "I think testimonials are a really useful tool and I would say that user testimonials, whether

or not they should be, are more effective and carry more weight to me than a quote from

somebody from the organization."

A number of the public relations practitioners saw strong credibility in customer

testimonials. "I think that testimonials are far more credible than quotes from the source of the

product," said public relations practitioner Perry. "Anybody who has actually used a product quoted in an unpaid media source, I would have to find that as very useful and valuable."

"I think testimonials are very credible," said marketing communications professional Jill. "We use them in advertising and I use them for direct mail letters and things like that. She related an example of how an organization she worked for used a customer testimonial to promote a member discount card:

> We sent out a call for anybody who wanted to give us a testimonial, and there was this young woman who lives in Lakeland, Florida, and she goes to a pizza place all the time and she saves enough to cover the cost of her membership. So, we used her story and we used other testimonials. The effectiveness of testimonials comes from the public's ability to relate to the individual as a "real person, like me."

As for personal views on testimonials, several of the public relations professionals interviewed expressed general belief in their credibility, but with some qualifications. "It depends where I see it," said Ellen, public relations practitioner for a nonprofit, suggesting news articles as one believable source. She added,

> It's also the method of presentation – if it is presented in kind of a journalistic style versus a very canned promotional style. Tone also has a lot to do with it for me. But if I read something that is literate, that is well-crafted, that reads more like a news story, like a profile on someone and the role that a scholarship fund played in his or her life. It kind of depends on the quality of the writing.

The communication context of the testimonial also may affect its believability. "I guess it depends on how testimonials are presented. If it is part of an info commercial and people are doing testimonials, then I am like, 'nah, I don't believe those,'" said communications

professional Christa. Yet she does find herself using testimonials when making personal

purchase decisions. Christa said she likes "to hear some of the feedback of customers about their

experiences with a product" she is considering to purchase. While she may not "totally believe" a

testimonial is on a company-sponsored Web site, Christa said it would give her "a good sense of

what the product is about."

In assessing customer testimonials, corporate communications practitioner John said, "I

think they are somewhat credible. Sometimes you look at testimonials and think there is a quid

pro quo. But if I am looking to be influenced by testimonials, they may or may not put me over

the edge. A testimonial might be the tipping point; it might cause me to pause and think a little

bit more. So, I think testimonials are somewhat credible."

Public relations agency practitioner Erin said she viewed customer testimonials as "very

credible when you are able to look at a number of them and look at them as a whole. I think that

only looking at one or two opinions can be very un-credible. Opinions seem to vary and I think

it is very important to get the average consensus of consumers or users."

PR Practitioners' Views on Business People's Perceptions of Customer Testimonials

Several of the public relations practitioners believed that business people would take a

mixed view when considering customer testimonials. "I think business folks might be cynical

about them, but I also think business people recognize the value in playing to the people that they

are trying to reach," said communication professional Christa.

"I think business people would take a look at testimonials with a grain of salt," said

corporate public relations practitioner John. "If a testimonial has the ring of believability, it may

prompt some business people or cause them to take some action or prompt them, but I don't

think they would rely totally on a testimonial to make a decision."

"I would hope that business people would read more than just one or two opinions on a product or a service and glean from a number of comments the average opinion of the product or service instead of just one or two viewpoints" said public relations agency practitioner Erin.

Some public relations practitioners believed business people take a favorable view of customer testimonials as useful in their work. "Business people, I think, see customer testimonials as a tool to spark interest," said marketing communications professional Jill. "All in all, I think business people like testimonials and believe in them for the most part."

PR Practitioners' Views on Public's Perception of Testimonials

Most of the public relations practitioners interviewed felt that the general public found customer testimonials more credible than they or business people did. One reason for this is "the idea that hearing from a 'real' person carries more credibility," said Ellen, public relations practitioner for a nonprofit organization. She said this was consistent with her belief in the power of word-of-mouth to influence someone's action to buy a product or believe in a cause. "I think that most people hearing from somebody who says 'I tried this' or 'I did this' carries more weight now," she said.

Corporate public relations practitioner Perry observed that people "like to read comments from people like themselves who have actually used the product. I mean, I'm that way. I want to read testimonials if I'm considering buying something; I want to know what someone else's experience is with that very same product."

While most public relations professionals said they thought the general public would find customer testimonials more credible than either business people or themselves, some also credited the public with having a critical eye. "The general public would probably be swayed a little bit more, but, I think, still would be a little bit skeptical," said corporate public relations

practitioner John. "Don't underestimate the American people. I think they would view a

customer testimonial maybe not as harshly as they would view strictly paid advertising, but I

think there would be some level of skepticism by the public.

 "I think testimonials are growing in importance with Web sites like CitySearch and

Amazon.com, but I think that the general public probably views one or two opinions as part of a

larger whole opinion," said public relations agency practitioner Erin.

Business People's Views on Customer Testimonials

Having some prior knowledge of the individual making the testimonial plays a major role

in determining its credibility, said some people interviewed. "I tend to give more credibility if I

know the person or if I have spoken to the person versus seeing the words on a page," said

Michael, a corporate manufacturing executive.

Several of the businesspeople interviewed acknowledged that they used customer

testimonials in their businesses. One business executive, Wayne, said he had just gotten off the

phone discussing a customer's agreement to be part of a customer testimonial case study. The

customer agreed to provide a testimonial that could be used as a marketing tool as part of pricing

negotiations with Wayne's company. "So in a way, are they getting paid to say good things?"

Wayne said. "Yes, in a way."

Business People's Views on How Other Business People Perceive Customer Testimonials

Even though testimonials may not withstand scrutiny, business executive Wayne found

that his colleagues paid close attention to what others said about various products. He

commented,

I hear some of my coworkers saying "Well, look here this client likes that competitive

product" and then I'll say let's just call them and see. And once I asked them what they

really think, sometimes people will say "yeah, that was a long time ago and I got

something free to put my name on the document." But generally, I know my coworkers

place tremendous value on seeing a name like Microsoft or another major company in a

testimonial about a specific product. They think, "Gee, that product must be good."

Business People's Views on How the Public Perceives Customer Testimonials

Members of the general public are inclined to be easily swayed by consumer-targeted

testimonials, most business people said. Corporate executive Michael explained,

You have a lot of people who are very gullible, whether they're elderly or maybe not the

sharpest tack in the box. I think that people will sometimes buy into, for example,

infomercials. If infomercials weren't successful, you wouldn't see them on TV. I think

the more education a person has, the less effective some of those claims would be in

persuading them.

Use of Media-Sourced Information

Public Relations Practitioners' Use of Media-Sourced Information

Most of the public relations practitioners interviewed reported that they make daily use of

information obtained through the news media. Corporate communications professional Perry

reflected the view of the public relations practitioners when he said that using information from

the media was an "integral part" of his work. "I do a lot of research every day on what

competitors are doing," he said. "Mainly I use it in terms of what is being written about a topic

that I'm interested in promoting to the media." His uses range from things "as basic as finding

out what a reporter is writing about what subjects" or "learning about where the landmines are

and what angles to avoid" when pitching a story to the media.

Agency public relations practitioner Greg said he uses information from media sources for research on existing clients and companies that are potential new clients. Several other public relations professionals also said that they use information gained from the news media as a tool for conducting media relations. One public relations professional Ellen said that when news coverage on a relevant subject appears, she uses that as a opportunity to contact that reporter or reporters from other media to offer an expert from her organization for an interview or comment.

Stories in the media can inform and inspire activities by public relations practitioners said corporate public relations practitioner John. He explained,

> I've been trying to find trends, spot trends and serve up trends that I see in the media.
> Say a trade publication talks about an increase in a certain business activity 'X,' and,
> well, our company does 'X' as well. I can glean something from that publication story
> and see that someone has written about that particular business activity as an industry
> trend. Or, sometimes our competitors do self-serving surveys. They come up with a
> survey for something that they're doing; then I can take that piece of news or that survey
> and own it or use it as an impetus for a story pitch.

> Of course I don't go to the same publication or outlet with the story, but I
> repackage the idea to pitch as a story to other media outlets using our company as the
> example. I'll say to a reporter or editor, "I've noticed your competitors talking about an
> increase in activity 'X' or an interest in 'X'. You may have seen this or you may not
> have, but our company is doing this as well and we also have seen an increase in this
> activity. I'd love to get you to talk to our people."

Monitoring the news media serves a dual purpose for public relations practitioners, providing a service to their clients and informing their future activities. Public relations agency practitioner Erin said,

> Well, it is part of my job to monitor the media for my client's coverage. But it is also important to stay abreast on what else is going on in my industry, which happens to be hospitality. So, it may be making sure to have conversation pieces of general-interest news to discuss with the media, since that is a big part of our outreach, or specifically monitoring the hospitality industry for a new trend or new openings, or checking out coverage on my clients and their competitors is how I incorporate it into my daily profession.

Information gained from media stories often provides insights that relate directly to the organization's work. Ellen, a public relations practitioner for a nonprofit organization, discussed her use of information from the media:

> In the case of nonprofits or education institutions that need to raise money, the media are a source of intelligence. I would say that we act on information in the media all the time. In terms of institutional advancement, as a specific example, news media coverage is a source of information about what people care about and what people with wealth care about.

She said, for example, that an article in a local business publication discussed the interest of an actively philanthropic businessman in Christian education, the focus of her organization. Knowing of the businessman's interest, the organization would have a basis for contacting his foundation for potential funding.

A number of public relations practitioners said they utilize and cite facts that appear in the news media when developing various communications materials. Marketing communications professional Jill said she used statistics gleaned from articles in her local paper when preparing direct communications materials for a food drive sponsored by her nonprofit organization:

We were doing this big drive called 'Stop Hometown Hunger' to have people bring food to different events and I supported that with articles in the paper that were independent of any communication materials that we produced.

I've also used homeless figures that were reported in the paper because when I write direct mail letters I like to get real specific. So I can say something like "The St. Pete Times reported that there are 700 children in the Pinellas County school system who are homeless."

Citing media-sourced information in a business presentation or document adds persuasive, credible support, several public relations people said. "If I'm trying to introduce a new idea I'll do research on the Internet and look at business magazines or business Web sites, and sometimes I use them as references to give more credibility to my idea," said business communicator Christa.

Using information attributable to independent media sources strengthens the impact of client strategy sessions, said public relations agency practitioner Tim, who, himself, finds it somewhat surprising:

The funny thing about it is that, in those presentations, the media quotations are viewed as a very credible source. I do a lot of strategy sessions, a lot of facilitating, a lot of brain-storming sessions around positioning and marketing. As part of those presentations

that we customize for each client there is a section that we call "the industry overview" and there is one that we call a "competitive landscape," so I will study news stories to find out what are the latest trends, what is the environment that we are living in at the moment. You assess the company, what does its world look like, and what does the competition say, and just not with their ads, but what are they saying out there in the media about themselves and about others.

Citing a person's quotation from a media article brings added credibility and reinforcement to a point even though it is just "one opinion, in what, a thousand," public relations practitioner Tim said. He added,

The quote from the media has to make sense and I think you have to consider that it is one person's opinion. But, you know, this was what was said and this is what is being said out there now. And you kind of let the client make their (sic) own decision. But to be quite honest, it does sound like fact. It is an expert voice.

The content of stories from some publications is cited and used in an electric-industry trade association newsletter produced by marketing communications professional Jill. She recalled reading an article that highlighted good-paying career options that don't require a college education, including one of particular relevance to her client – becoming an electrical contractor. "So I'll use an article like that, and I'll quote it in an article for this newsletter for the electrical industry," she said.

Sole practitioner Barbara cites media coverage in grant proposals she prepares for her nonprofit clients. For example, when submitting a grant request for a retirement community program that helps adults stay in their homes, she referenced several published articles that

talked about personal stories of senior citizens who benefited from a similar support activity conducted by her client. She explained,

> I quoted the number of services that we had provided and the results for a survey, but I said what makes it really rewarding are the individual stories. I definitely always mention, when I can, write-ups in the paper and when we are on NPR, as well.

Business People's Use of Media-Sourced Information

"I've used quotes or information that I've gotten out of different newspapers, and actually incorporated them into presentations to really drive a point that I'm trying to make," said human resources manager Michelle. As one example, "I used quotations from an article about different health behaviors and what types of illnesses and chronic conditions that certain behaviors caused, and the amount of diseases in the United States," she said.

"As a lawyer, I pick up on information about various companies and if it pertains to something I am immediately working on, or something I may see in the future, I will check it out," said corporate attorney and board member Jan. She is especially interested in "the actions companies are taking in certain situation, in response to certain problems or challenges. I think it's very useful information. I read *The Wall Street Journal* every day, and it's all about what companies are doing."

One manufacturing company executive Wayne said he often shares information gleaned from various media sources with others. "I take *The Economist* every week and, in fact, I clip out of the online editions articles that I've read in the print edition and send them around to co-workers or in some cases we send stuff to customers. I get the *Wall Street Journal* every day and do the same, view things in the paper and clip them online and send them."

Clearly, staying abreast of the news and current events is important to the business people interviewed. They noted the business value of being informed about developments that relate to their operations or industries. Several said they use news aggregators, or news feeds, to keep pace with media coverage relevant to their business. "A lot of what we are doing is so current around sustainability and energy reduction that we use a lot of online research to make sure we are keeping pace with dramatic changes in what we do," said manufacturing executive Wayne.

Media coverage is also used by business people to monitor regulatory activity and public policy. For example, "Newspaper reports of government regulations regarding pensions and things like that I was able to use and act upon," said employee benefits director Gordon.

Corporate attorney Karen discussed a time she used media coverage to gain a perspective on public policy matters involving the Federal Trade Commission because "the current philosophy and attitude of the government was going to strongly influence the decision of the case. We were very attentive as it (the policy decision) was being talked about in the media to gain any inkling of what the FTC was thinking or saying," she said.

One business person said he really does not utilize information from media sources in his daily work, analyzing market needs for an energy power producer. "Most of the information that I get is from government sources, either directly or indirectly," Michael said. "I put a real high credibility to that data, to that information. In my job, I'm looking for labor statistics, unemployment rates or number of employees. Generally, all that (data) has been scrubbed and reviewed in terms of the methodology used, in terms of sampling." The nature of his job involves "more database work than quotes out of a newspaper article or a Web site," he said.

Client-Perceived Value of Independent Media Coverage

All of the public relations practitioners interviewed said that their clients recognized value in independent media coverage, often believing it exceeded the value of paid placements, such as advertisements. The perception of media credibility was a key factor in that value assessment, according to several respondents. "I think there is the perception that media coverage is just more credible. You know, clients feel 'they have made the news,'" said public relations agency executive Tim.

In general, clients see value in independent media coverage, but how they view a particular media outlet affects the degree of value they see in coverage, said corporate public relations professional Kirk. He explained,

Even more valuable in their minds is a third-party media outlet that they personally respect. So in other words, it's that you can generate all kinds of really good quality third-party publicity in small-town newspapers around America that speak daily to consumers and present that stack of press clippings that represent real value-adding publicity to brand managers and they will go, "that's good." But if you happen to get the same story on slate.com, which is sort of a political intelligentsia, white-collar, highly educated demographic Web site, they will think it is absolutely wonderful, even if only 10 consumers ever see it.

Not surprisingly, the comparatively lower cost of public relations vs. advertising also was mentioned as a reason for clients seeing value in independent media coverage. Public relations agency practitioner Erin said clients perceive value in news coverage for several reasons:

One, because the credibility that is given to it by their potential customers and also because for the same amount of money that they would have paid for an advertisement

they could pay for our services and get multiple articles or appearances on television. So it can be a better value for the money because of the amount of coverage that we are able to get for them.

The dollar-factor can especially come into play when the client's funds are tight, said sole practitioner Barbara. "It's cheaper for them to pay a PR person, not just because that it's cheap, but because the costs of advertising are very high," she said. She recalled a sleep-disorder doctor who sought public awareness of his work but had a very limited budget. "One of the things we did was media relations and he was able to get on TV. We got him some coverage so I think he was pleased with that," she said.

"They place a higher value on media coverage generated by public relations because they pay less for it," said strategic communications consultant Greg. He added, however, that the perceived value of a media placement could be contingent upon the client's communication goal. "I might or might not be recommending a media piece, depending on whom they're trying to reach."

Corporate public relations executive John said that management in his company, which does very little advertising, is beginning to see more value in media coverage. Nevertheless, attitudes are mixed; some of the company divisions he supports see real value in media coverage, while others are less convinced. Consequently, he actively "markets" his public relations services to different divisions in the company by circulating news clippings of stories he has helped place about the business. He also shares media coverage about competitors and the industry overall.

In addition, the company's new chief executive officer is a proponent of an active media relations program, which is influencing others in the organization, John said. He described the value and impact of senior management's support of public relations activities:

> Our new CEO is kind of a cheerleader of this, and wants to see more public relations activity and media coverage. So, I actually have a couple of divisions willing, able and ready to take advantage of public relations because they think it helps market their products and services. Other groups don't yet see the value, but those groups that have been sitting on the sidelines, holding back, are now warming up to the idea. I think it helps because they've seen some successes from their competitors or colleagues. Plus, the CEO believes in this kind of thing, and while he's not going around telling people that they should do this, through example, he is showing that generating media coverage is something that we should be doing.

A nonprofit educational organization sees value in marketing communications conveyed through independent media compared to controlled, direct communications. The organization's public relations professional, Ellen, said,

> We can send the same information to a campus audience of faculty and students, send it directly to them. But if it appears in a student paper or faculty paper or a departmental newsletter or Web site, they are much more likely to respond to it than anything they receive directly from us. To me, that's probably the most compelling example of third-party credibility.

Importance of Credibility in Targeting Media

The public relations practitioners interviewed expressed mixed opinions on the role of media credibility when determining what media to target with a particular story. For some, credibility was a significant factor, while for others it was of far less importance.

"Credibility is very important," said PR agency practitioner Erin. "I think that we have outstanding relationships with outlets that have been credible sources for a while now, and that is the kind of relationship that our particular agency has sought to build and sought professionally. We only reach out to those we consider to be credible sources because those are the relationships that we make. Secondary would be the number of customers that the media can reach, and that would be our secondary criteria for what media outlets we want to partner with."

Not only are highly credible media desired for placements, but public relations practitioners may actually consciously avoid coverage in some media they deem inappropriate. "There are some media that I deliberately avoid because to me a story in them is more harm than good," said nonprofit public relations professional Ellen, citing a poorly regarded Web site source as an example. In comparison, she said, placement in a preferred media outlet offers value through "the perception that news and information that is worthy of attention is vetted by an educated publisher with some standards."

For other practitioners, credibility plays a less significant role in selecting media for targeting their messages. "Credibility would be just one factor," said strategic communications consultant Greg. But he placed media credibility in context with other considerations:

The importance of media credibility would depend on the particular, specific goals of the project or the client's overall direction. Let's take a simple example of somebody we're trying to reach through the media in a particular geographic location. Then, you might be

selecting media that would be less credible, but more targeted towards the geographic audience we are trying to reach.

Just getting a story placed, period, influences where public relations people target the stories of their clients much more than media credibility, several public relations professionals said. When asked about the role of credibility in deciding which media to focus on, sole practitioner Barbara also expressed the need to consider what media will actually carry a story. "Well, credibility is important, but what I usually do is target the media that are most likely to use clients' stories." As an example she referenced issuing an announcement about a new doctor joining a medical practice. The likelihood of this information appearing as a story in a major daily newspaper would be quite remote, unless the new doctor has a noteworthy achievement, such as cutting-edge stem cell research. A more realistic media target would be a smaller community newspaper.

"I think as a PR person you are trained to get as much noise out there as you can. You certainly should do that," commented a public relations agency executive Tim. "A story needs to be targeted, but I also think that you can consider any good hit a victory." He summed it up: "At the end of the day, you take what you can get."

The next chapter reviews quantitative results of this study's research experiment.

CHAPTER 6

QUANTITATIVE RESULTS

Overview of Experiment

The experiment was conducted between March 23 and May 15, 2009. Five hundred-fourteen subjects from Emory University, Georgia State University and the University of Georgia participated. Approximately 52.1% ($N = 268$) were graduate business students studying for a master's degree in business administration (MBA); the remaining subjects, 47.9% ($N=246$), were undergraduate students in business administration or communications. The subjects were students at three major Southeastern universities. Among the subjects, 51.7% ($N = 263$) said they had up to two years of full-time work experience in business, with approximately 38% ($N = 197$) of them reporting having no full-time work experience. The other half (48.3%, $N = 246$) said they had three or more years of full-time work experience in business. More than one-third (34.2%, $N = 168$) reported they currently worked full time; 25.5% ($N = 125$) said they currently worked part time; and, 40.3% were not working. Subjects ranged in age from 18 to 52 years ($M = 25.3$, $SD = 4.9$); 49.7% ($N = 252$) of the subjects were male and 50.3% ($N = 255$) were female. The racial composition of the subjects was White, 55.7% ($N = 278$); Asian, 21.8% ($N = 109$); Black, 12.4% ($N = 62$); Hispanic, 4.8% ($N = 24$); Multiracial, 3.2% ($N = 16$); Alaska Native or American Indian, .4% ($N = 2$); and 1.6 % ($N = 8$) were "other," most of whom identified themselves as "Indian" from India.

Media Usage

Subjects were asked how many days a week they read or logged on to various types of media or media formats and how much attention they gave to each. Online newspapers were reported read most often, with a median number of 4 days used per week. National newspapers and corporate Web sites (other than subjects' current employers' sites) were read less often, with a median number of 2 days used per week. Of limited use, with a median of 1 day per week, were local daily newspapers, corporate advertisements, individual blogs, online message boards and trade or professional publications. Corporate blogs were least read, with a median of 0 days per week. (See Table 6.1)

Table 6.1

Media Usage: Frequency and Level of Attention Given

Media	Frequency of use (Days per week)*	Level of Attention Given (1 = Great deal, 5 = No attention)**	
	Median	M	SD
National newspapers (such as *New York Times, Wall Street Journal, USA Today*)	2	2.4	1.16
Online daily newspaper(s)	4	2.6	1.14
Local daily newspaper(s)	1	3.2	1.19
Trade or professional publications	1	3.3	1.27
Individual blogs	1	3.5	1.16
Corporate Web sites (other than current employer's)	2	3.6	.92
Corporate advertisements	1	3.9	.89
Online message boards	1	3.8	1.13
Corporate blogs (other than current employer's)	0	4.2	.87

*   Number of days per week (0 days to 7 days)

**   1 = Great deal of attention   4 = Very little attention
       2 = A lot of attention   5 = No attention
       3 = Some attention

Subjects also were asked to "describe the level of attention you generally pay to news and information provided in the media listed below" on a scale of 1-to-5, with 1 = Great deal and 5 =

No attention. The highest level of attention was paid to news and information conveyed in

national newspapers ($M = 2.4$), followed by online daily newspapers ($M = 2.6$). Less attention

was given to local daily newspapers ($M = 3.2$), trade or professional publications ($M = 3.3$),

individual blogs ($M = 3.5$), corporate Web sites (other than current employer's) ($M = 3.6$), online

message boards ($M = 3.8$), and corporate advertisements ($M = 3.9$). Virtually no attention was

paid to corporate blogs (other than current employer's) ($M = 4.2$). (See Table 6.2 and Table 6.3)

Finally, when asked, 93% (N =462) of study participants said they had no prior knowledge

of PMG prior to reading the treatment materials and 7% (N = 34) said they had prior knowledge

of PMG.

Table 6.2

Frequency of Media Use by Percentage of Days per Week

					Media type				
Days used per week	% Local daily paper(s)	% Online daily paper(s)	% National papers	% Corporate advertisements	% Corporate Web sites*	% Corporate blogs*	% Individual blogs	% Online message boards	% Trade or professional publications
0 days	42.8	13.0	19.1	38.6	23.9	69.2	31.0	39.1	34.5
1 day	19.3	12.0	18.7	17.6	22.5	14.4	19.7	16.6	18.3
2 days	12.8	11.6	14.0	12.3	18.3	9.7	15.2	10.5	15.8
3 days	10.5	12.0	12.2	12.3	13.4	2.8	12.0	10.9	10.5
4 days	4.5	8.1	8.3	6.9	8.9	2.2	7.5	8.7	9.1
5 days	6.3	14.2	10.7	4.0	6.3	.8	5.1	4.7	7.5
6 days	.6	8.7	5.1	2.0	1.8	.4	3.0	2.8	2.4
7 days	3.2	20.3	11.8	6.3	4.9	.6	6.5	6.7	2.0

*   Excluding Web sites and blogs of current employer

Table 6.3

Level of Media Attention by Percentage

	Media								
Level of attention	% Local daily paper(s)	% Online daily paper(s)	% National papers	% Corporate advertisements	% Corporate Web sites	% Corporate blogs	% Individual blogs	% Online message boards	% Trade or professional publications
Great deal of attention	8.7	18.1	25.0	.8	1.0	.6	4.6	3.8	9.5
A lot of attention	16.9	31.8	33.3	6.2	10.3	3.6	14.3	11.3	17.7
Some attention	35.9	30.6	24.2	24.1	36.1	14.9	31.7	22.0	28.6
Very little attention	19.8	12.1	11.3	43.5	35.5	35.1	23.2	31.0	21.0
No attention	18.7	7.4	6.2	25.4	17.1	45.8	26.2	31.9	23.2

*   Excluding Web sites and blogs of current employer

Chapter 4 described how a variety of semantic-differential items and Likert-type items were used to measure the dependent variables. Directional items were re-coded as necessary so that higher scores were most positive and lower scores were least positive before statistical testing proceeded. The following section reports the results of the statistical procedures used to construct indices of these items to create the dependent variables used in the data analyses.

<div align="center">Constructing the Measures</div>

Media Credibility Index

In constructing the measure for the dependent variable of media credibility, the initial factor extraction involved principal component analysis using varimax rotation with Kaiser normalization and scree plot analysis of the 14 items measuring subjects' perception of media credibility. The scree plot showed three factors with an eigenvalue of at least 1.0; one of the factors recorded a much higher eigenvalue than the other two factors. (Results of the varimax rotation analysis, along with means and standard deviations for each of the media credibility items, are reported in Table 6.4.)

Two of the items on the first factor also on loaded on one other factor. One of those items ("worthless-valuable") was retained in the first index because elimination would have decreased Cronbach's alpha. A second item ("biased-unbiased") was removed because doing so increased Cronbach's alpha in the first factor. The first factor explained 38.5% of the variance, the second factor explained 10.9% of the variance, and the third, 7.5%.

This finding of three principal components in the present study tracked that of Markham (1968), who noted three credibility factors in his multidimensional assessment of news credibility: reliable-logical, showmanship and trustworthiness. Later work on developing a news credibility scale by Gaziano and McGrath (1986), which served as the basis of the scale

used in the present study, identified two primary factors: credibility and social concern. While

Gaziano and McGrath (1986) did not report reliability statistics, Rimmer and Weaver (1987)

conducted a secondary review of the Gaziano and McGrath's data and reported a .90 Cronbach's

alpha. Another secondary analysis, performed by Newhagen and Nass (1989), indicated a

Cronbach's alpha of .92 for newspaper credibility and .91 for television credibility. While the

present study reported three primary factors, rather than two, the third factor was considerably

weaker than the first two.

The first factor, which explained 38.5% of the variance, included nine items. The items

which loaded on the first factor were aligned with evaluation of both "trust" (e.g., "cannot trust-

trust") and "expertise" (e.g., "inaccurate-accurate"). This result was similar to the findings of

Gaziano and McGrath (1986), whose primary factor of credibility explained 37% of the total

variance for newspaper credibility. The Gaziano and McGrath (1986) news credibility factor

also included elements of trust and expertise. Results of the present study differed to some

degree with findings of McCroskey and Teven (1999), which designated trust and expertise as

distinct factors. The first factor of the present study was named "Media Credibility" to reflect

the inclusion of the first of two general dimensions, trust and expertise, consistent with the

Gaziano and McGrath study, The mean for the nine items that loaded on this factor was 3.9 on a

1 – 7 scale; standard deviation was 1.00. Cronbach's alpha measuring reliability, or internal

consistency, for this index was .88.

The second factor, which explained 10.9% of the variance, included two items. These

items ("does not consider reader interest-does consider reader interest" and not persuasive-

persuasive) are included in the dimension of "likeability" (McCroskey & Teven, 1999). In

context with this study, these two items appear to reflect a perception of the relationship intent of

the media with the audience, which led to labeling this the "Media Trust" factor. The mean for the two items that loaded on this factor was 4.4 on a $1 - 7$ scale, and the standard deviation was 1.2. Cronbach's alpha for this index was .53.

The third factor, which explained 7.5% of the variance, also included two items: ("not informative-informative" and "boring-interesting"). These two characteristics were considered reflective of McCroskey and Teven's "likeability" dimension. In the context of this study, the grouping of these two items appeared to reflect subjects' assessment of the worth, or value, of the information presented in the stimulus material. Therefore, this factor was labeled, "Content Value." The mean for the two items loaded on this factor was 4.0 on a $1 - 7$ scale, and the standard deviation was 1.2. Cronbach's alpha for the "Content Value" index was .44.

Because reliability scores for the second and third indices were below .70, only the first factor index – media credibility – was used in statistical testing.

Table 6.4

Factor Analysis of Perception of Media Credibility

Factors:	Mean	SD	Factor Loadings 1	2	3

Traits:

	Mean	SD	1	2	3
Unfair-Fair*	4.6	1.3	.72		
Not tell whole story – Tells whole story	3.1	1.5	.62		
Inaccurate – Accurate*	4.2	1.2	.75		
Does not separate fact/opinion – Separates fact/opinion*	3.6	1.5	.66		
Cannot trust – Trust*	3.9	1.4	.84		
Concern for profit – Concern for public*	3.6	1.6	.54		
Opinionated – Factual*	4.0	1.4	.79		
Worthless – Valuable*	4.0	1.3	.60	.45	
Not believable – Believable*	4.3	1.4	.72		
Does not consider reader interest – Considers reader interest*	4.4	1.4		.69	
Not persuasive – Persuasive*	4.4	1.5		.66	
Not informative – Informative	4.5	1.4			.61
Boring – Interesting	3.6	1.6			.85
Biased-Unbiased	3.3	1.6	.41		.41
Eigenvalues			5.4	1.5	1.1
Percent Variance Explained			38.5	10.9	7.5

* Denotes reverse-scored item. All items scored 1-to-7, with 7 most positive.

Spokesperson Evaluation Measures

The initial factor extraction involved principal component analysis using varimax rotation with Kaiser normalization and scree plot analysis of the 18 items measuring subjects' perception of spokesperson credibility. The scree plot showed four factors with an eigenvalue of at least 1.0; one of the factors recorded a much higher eigenvalue than the other two factors. (Results of the varimax rotation analysis, along with means and standard deviations for each of the spokesperson credibility items, are reported in Table 6.5.)

Double loadings of items on two factors occurred eight times and one item triple-loaded across the four factors. To reduce the multiple loadings, the analysis was rerun forcing a three-factor solution. The first factor with nine items explained 33.8% of the variance, the second factor explained 9.7% of the variance and the third, 7.8%. The three factors explained a total of 51.3% of the variance.

In the second run, five items double-loaded on two of the three factors. The first factor contained nine items, two of which also loaded onto other factors. One of those items ("unreliable-reliable") was retained because elimination would have decreased Cronbach's alpha for the first index. A second item ("confidential-divulging") was removed because doing so increased Cronbach's alpha for the first index.

The items that loaded on the first factor were aligned with evaluation of "trust" (e.g., "not trustworthy-trustworthy" and "dishonest-honest." This result was consistent with McCroskey and Teven (1999), who designated trust as one the primary factors describing credibility. Consequently, the first factor was named "Spokesperson Trust." The mean for the eight items that loaded on this factor was 4.4 on a 1 – 7 scale; standard deviation was .83. Cronbach's alpha, measuring internal reliability, for the spokesperson trust index was .85.

The second factor, which explained 9.7% of the variance, included six items. These items generally reflected qualities of competence (e.g., "unqualified-qualified," "inexpert-expert" and "uniformed-informed"). This result was consistent with the work of McCroskey and Teven (1999), who identified "competence" as one of the primary factors describing credibility. Therefore, this factor in this study was labeled "spokesperson competence." The mean for the six items that loaded on this factor was 4.6 on a $1 - 7$ scale and the standard deviation was .76. Cronbach's alpha for the spokesperson competence index was .78.

The third factor, which explained 7.8% of the variance, included three items that tracked closely to McCroskey and Teven's (1999) "likeability" dimension (e.g., "exploitive-generous" and "inconsiderate-considerate"). Therefore, this factor was labeled "spokesperson likeability." The mean for the three items loaded on this factor was 3.7 on a $1 - 7$ scale and the standard deviation was .82. Cronbach's alpha for the spokesperson likeability index was .53. (See Table 6.5)

Because the reliability score for the third factor index was below .70, statistical testing proceeded only with the first two factor indices – spokesperson trust and spokesperson competence.

Table 6.5

Factor Analysis of Perception of Spokesperson Credibility

Factors:	Mean	SD	Factor Loadings		
			1	2	3

Spokesperson Traits:

	Mean	SD	1	2	3
Unreliable-Reliable*	4.4	1.3	.49		.40
Not intelligent-Intelligent*	4.6	1.2	.55		
Unpleasant-Pleasant*	4.3	1.2	.58		
Worthless-Valuable*	4.4	1.2	.63		
Dishonest-Honest*	4.2	1.1	.66		
Confidential-Divulging+	4.1	1.1	.57		
Unqualified-Qualified*	4.6	1.3	.56	.42	
Not trustworthy-Trustworthy*	4.2	1.1	.61		.47
Insincere-Sincere*	4.2	1.2	.48		.58
Unfriendly-Friendly	4.7	1.1		.57	
Selfish-Unselfish	4.1	1.1		.43	.41
Unqualified-Qualified	4.9	1.2		.79	
Inexpert-Expert	4.7	1.1		.75	
Uninformed-Informed	4.9	1.2		.71	
Deceptive-Candid	4.1	1.1		.44	.63
Biased-Unbiased	2.9	1.4			.62
Exploitive-Generous	4.0	.9			.71
Inconsiderate-Considerate*	4.3	1.0			.56
Eigenvalues			6.1	1.7	1.4
Percent Variance Explained			33.4	9.7	7.8

* Denotes reverse-scored item. All items scored 1-to-7, with 7 most positive.

+ Deleted before data analysis because Cronbach's alpha was higher without it.

Pearson Correlation of Dependent Variables and Covariate

A Pearson correlation of the three dependent variables, media credibility, spokesperson

trust and spokesperson competence, and a covariate, media believability showed significant

correlations among all four. (See Table 6.6)

Table 6.6

Pearson Correlation of Media Credibility, Spokesperson Trust, Spokesperson Competence and
Media Believability

	Media Credibility	Spokesperson Trust	Spokesperson Competence	Media Believability
Media Credibility	--			
Spokesperson Trust	.577*	--		
Spokesperson Competence	.426*	.730*	--	
Media Believability	.267*	.239*	.152*	--

*Correlation is significant at the 0.01 level (2-tailed)

Attitudinal and Behavioral Measures

In addition to measuring whether people viewed the credibility of information differently

based on type of media in which it appeared and in which the spokesperson (supplier company or

customer company) was attributed, this study also examined attitudes toward PMG (the supplier

company), Rail Express (the customer company) and the (iService) software product described

in the treatment materials. This study also sought to assess behavioral intentions by asking

subjects about their level of interest in purchasing the stock of PMG (the supplier company) and

Rail Express (the customer company), and their level of interest in buying the (iService) software

product and recommending the purchase of these stocks and product.

Attitudinal Measures

Subjects were asked to describe their attitudes toward PMG (supplier company) in three items using a 7-point scale ("negative" – "positive," "unfavorable" – "favorable," and "dislike" – "like") with "1" representing the least positive rating and "7" representing the most positive rating. The mean for the three items combined into an index was 4.5 on a 1 – 7 scale and the standard deviation was .96. Cronbach's alpha for this attitude toward PMG measure was .82.

Similarly, subjects were asked to describe their attitudes toward Rail Express (customer company) using a 7-point scale ("negative" – "positive," "unfavorable" – "favorable," and "dislike" – "like") with "1" representing the least positive rating and "7" representing the most positive rating. The mean for the three items combined into an index was 4.5 on a 1 – 7 scale and the standard deviation was .88. Cronbach's alpha for this attitude toward Rail Express index was .80.

Finally, subjects were asked to describe their attitude toward the iService software product that was featured in the treatment material in three items using a 7-point scale ("negative" – "positive," "unfavorable" – "favorable," and "dislike" – "like") with "1" representing the least positive rating and "7" representing the most positive rating. The mean for the three items combined into an index on a 1 – 7 scale was 4.7 and the standard deviation was 1.02. Cronbach's alpha for the attitude toward iService software measure was .81.

Behavioral Measures

Subjects were asked to describe their behavioral intentions to purchase the software product, their confidence in purchasing the product, and likelihood of recommending the product to others by assessing their level of agreement with three statements using a 5-point scale ("strongly disagree" – "strongly agree") with "1" representing the least positive rating and "5"

representing the most positive rating. The mean for the three items combined into an index was 3.1 on a 1 – 5 scale and the standard deviation was .71. Cronbach's alpha for this index was .78.

Next, subjects were asked to describe their behavioral intentions to purchase PMG stock (supplier company), confidence in purchasing PMG stock, and likelihood of recommending the purchase of PMG stock to others. All used a 5-point scale ("strongly disagree" – "strongly agree") with "1" representing the least positive rating and "5" representing the least positive rating. The mean for the three items was 2.9 and the standard deviation was .67. Cronbach's alpha for this index was .85.

Subjects were asked to describe their behavioral intent to purchase Rail Express stock (customer company). One item assessed interest in purchasing Rail Express stock; the second item assessed confidence in intent to purchase Rail Express stock; and the third item assessed likelihood of recommending the purchase of Rail Express stock to others. All were measured using a 5-point scale ("strongly disagree" – "strongly agree") with "1" representing the least positive rating and "5" representing the least positive rating. The mean for the three items was 2.8 on a 1 – 5 scale and the standard deviation was .71. Cronbach's alpha for this factor was .85.

Business Expertise Measure

A measure of business expertise was created based on a series of seven questions designed to determine an individual's level of experience in and knowledge of business. The first four items asked subjects to "respond to the following questions by circling the number on the scale that most accurately describes you." A 7-point Likert-type scale was provided after each question for respondents to self-assessments. The first question asked, "How much experience do you have working as a business manager?" Response options ranged from "1" for "none" to "7" for "a great deal of." The second question asked, "How qualified are you today to

hold a senior manager job in a corporation?" Response options ranged from "1" for "not yet qualified" to "7" for "extremely well qualified." The third questions asked, "What level of business experience do you have in making business decisions?" Response options ranged from "1" for "none" to "7" for "a great deal of." The fourth question asked respondents to fill in the blank contained in the statement, "In general, I believe that a senior executive would consider business recommendations I would make to be _____ naïve and inexperienced." The responses ranged from "1" for "not at all" to 7 for "somewhat." This question was not used in the final construction of the measure because Cronbach's alpha was higher when then fourth question was eliminated. The mean for the three-item interval-level measure of business expertise was 3.0, standard deviation was 2.9 and Cronbach's alpha was .85.

A single measure of business expertise was then created by dividing the index to form a nominal-level variable. The lower half of scores (1 – 2.67, 50.6%, $N = 260$) was designated "low business expertise" and the top half of scores (2.68 – 7.0, 49.4%, $N = 254$) was designated "high business expertise." A cross-tabs of the nominal-level business expertise variable by combined treatments was not significant (X^2 (13) = 16.1, p = .244). Examination of the cross-tabs table revealed that cell sizes of the nominal level business expertise by treatments ranged from 10 to 25.

Subjects also were asked to "circle the total number of years of experience you have in your professional career, round up partial years," and excluding "part-time or full-time jobs unrelated to one's professional career." Response options ranged from "0" to "7+ years." The same scale was provided to record years of internship or part-time experience. Questions regarding years of college- or university-level business education and estimated grade point average for business courses taken were also posed.

Years of full-time business experience ranged from 0 to 7+ years. A high-low nominal-level variable of years of full-time business experience was created with $0 - 2$ years (51.7%, $N = 263$) designated as "low years of business experience" and $3 - 7+$ years (48.3%, $N = 246$) designated as "high years of business experience." A chi square test of the nominal-level years of business experience by treatments was significant (X^2 (13) = 26.62, p = .014). Therefore, the nominal level years of experience was not used in any further statistical analysis.

Pre-Existing Beliefs Toward Media

A pre-manipulation measure of subjects' attitudes toward the believability of different forms of media was administered using a 1-to-5 scale, ranging from "not believable" to "believable," with "5" being the most positive. [A sixth option, "don't know/no opinion," for the 17 items was eliminated before statistical testing.] Following is a list of the 17 different types of media reflecting the six media channels being tested in the experiment along with the frequencies of "don't know/no opinion" responses for each: newspapers (0), television news (0), radio news (1.8%, $N = 9$), newspaper Web sites (1.0%, $N = 5$), newspaper advertisements (1.8%, $N = 9$), online blogs (2.1%, $N = 11$), online message boards (2.7%, $N = 14$), company annual reports (2.9%, $N = 15$), television advertisements (.8%, $N = 4$), research group Web sites (6.2%, $N = 32$), company message boards (5.6%, $N = 29$), business magazines (1.9%, $N = 10$), trade publications (6.2%, $N = 32$), company Web sites (.8%, $N = 4$), company blogs (5.3%, $N = 27$), advertorial (24.2%, $N = 124$), news releases (2.5%, $N = 13$). The 17 items were combined into a "media believability" index for use as a covariate in statistical testing. The mean score for the 17 item-index was 3.2 on a $1 - 5$ scale and the standard deviation was .49. Cronbach's alpha for the media believability index of all 17 items was .85.

Assumptions

Analysis of variance was the primary statistical method used to test for significant effects of independent and controlled media channels and company and customer spokespersons on audience evaluations of perceived credibility toward information received through those channels and toward the respective spokespersons, along with attitudes toward the companies and product and behavioral intentions for product and stock purchases.

In analysis of variance, there are what Kennedy and Bush (1985) referred to as the "trinity of assumptions" (p. 111). These are that: (1) the individual treatment populations, from which members of each treatment group are randomly drawn, are normally distributed; (2) the variances of the different treatment populations are homogenous or homoscedastic; and (3) the error components are independent within treatment groups as well as between groups so that each observation is unrelated to any other observation in the experiment.

Keppel (1982) emphasized that the sampling distribution of *F*, the test of significant differences in analysis of variance, is "amazingly robust," even "insensitive to flagrant violations" of these assumptions, especially when large samples are involved or when experimental cell sizes are equal (pp. 85-87).. He added that these violations are potentially more problematic when cells sizes are unequal. In the present study, the 14 treatment cell sizes are very near equal, with two cells of 39 subjects each, three cells of 38 subjects each, four cells of 37 subjects each, two cells of 36 subjects each, two cells of 35 subjects each, and one cell with 32 subjects. Kennedy and Bush (1985) recommended the "inter-ocular" or eyeball test to satisfy the assumption of normality (p. 112). In this study, visual examination of tests for kurtosis and skewness for each variable revealed no threats to the assumption of normality.

There are several tests for violations of normality and homoscedasticity, such as Bartlett, Cochran, and Hartley. However, Keppel (1992) noted that many of these tests share a sensitivity to non-normality as well as heteroscedasticity and suggested that researchers interested in comparing variances instead of means should consider cell sizes larger than 20 to increase power. In the present study, as reported, the cell sizes ranged from 32-to-39. SPSS (2009) offers three homogeneity-of-variance tests: Cochran's C, Bartlett-Box F and Hartley's F max. Examinations of the data did not reveal violations to the assumptions of normality or homoscedasticity. This permitted the statistical analyses, regardless of the slightly unequal treatment cell sizes, to proceed with confidence.

Some statisticians argue that the assumption of independence is not as robust as the other two assumptions of normal distribution and homoscedasticity and caution against violations of independence (Blalock, 1979; Crocker & Algina, 1986; Kennedy & Bush, 1985). Because random assignment ensures independence, this study attempted to use random assignment throughout the study. This issue is addressed further in Chapter 7.

Kirk (1982) took a slightly different approach to analysis of variance and referred to four primary assumptions of analysis of variance, dividing the first assumption presented previously into two: that observations are drawn from normally distributed populations, and that such observations are random samples from the population. Kirk also added three assumptions of the model to his four F assumptions in analysis of variance: that the model equation reflects the sum of all sources of variation affecting the dependent variable; that the experiment contains all treatment levels of interest; and that the error effect is independent of all other error terms and is normally distributed within each treatment group with mean equal to zero and equal error variance. As with the F assumptions, the first and third model assumptions in this study are

satisfied by tests of normality and homoscedasticity and random assignment. The second

assumption distinguished fixed-effects from random-effects models and is an issue of importance

in experimental designs more complex than the present study. In completely randomized

designs, such as this, expected values of the mean squares for fixed- and random-effects models

are "very similar" (Kirk, 1982, p. 72).

Tests of statistical significance were conducted at the traditional probability level of .05,

though some results approaching significance are reported when they appear to shed light on

relationships. A conservative approach to analysis was taken by using Tukey follow-up

procedures for all one-way analyses.

Three nominal level items were included in the questionnaire after the experimental

treatment to see if subjects responded as desired to the manipulations. A report of those results

follows.

Manipulation Checks

In the manipulation check of the media channel treatment, subjects were asked to "circle

the item that best describes what you just read." Six answer categories were listed: newspaper

article – online, independent research article – online, financial message board posting, press

release – on PMG Web site, advertorial (advertisement) – online, and customer testimonial –

PMG message board. A seventh option was "other" with a blank to describe what the subject

just read. A chi-square test of expected frequencies for assigned manipulations of media channel

and reported manipulations of media channel was significant (X^2 (5, N = 511) = 40.24, p = .000).

Table 6.7 presents the actual assigned and reported results.

Table 6.7

Manipulation Check for Media Channel

Media channel	Assigned channel treatment	Reported channel treatment
Newspaper article – online	77	76
Independent research article – online*	152	138
Financial message board posting	76	71
Press release – on PMG Web site	76	79
Advertorial (advertisement) – online	71	78
Customer testimonial – PMG message board	62	69
Other	--	2
Missing System	--	1
Total	514	514

*Combines "with photograph" and "no photograph" cells.

In the manipulation check for spokesperson, subjects were asked to "circle the item that best describes the person quoted in what you just read." Three answer categories were listed: Chris Hudson, PMG Vice President; Chris Hudson, Rail Express Vice President, and "Other" with a blank for subjects to fill in a description of the person quoted in what they just read. A chi-square test of expected frequencies for assigned manipulations of spokesperson and reported manipulations of spokesperson was not significant (X^2 (1, $N = 509$) = .10, p =.756). Table 6.8 presents the actual assigned and reported results.

Table 6.8

Manipulation Check for Spokesperson

Spokesperson	Assigned spokesperson treatment	Reported spokesperson treatment
Chris Hudson, PMG Vice President	261	258
Chris Hudson Rail Express Vice President	253	251
Other	--	3
Missing System	--	2
Total	514	514

In the manipulation check for presence of a photograph of the spokesperson which occurred in the independent research article manipulation, subjects were asked to "circle their response" to the following question: "Did a photograph of a person appear with the article you just read?" Two answer categories were listed: "Yes" and "No." A chi-square test of expected frequencies for assigned manipulations of presence of a photograph and reported manipulations of presence of a photograph was significant (X^2 (1, $N = 511$) = 269.23, p = .000). Table 6.9 presents the actual assigned and reported results.

Table 6.9

Manipulation Check for Photograph/No Photograph

Presence of photograph of spokesperson	Assigned photograph treatment	Reported photograph treatment
Yes (photograph present)	71	77
No (photograph not present)	443	434
Missing System	--	3
Total	514	514

Tests of Hypotheses

This study had four sets of related hypotheses. The first set of hypotheses predicted the main effects and interactions of media channel and spokesperson on audience perceptions of credibility of business information conveyed through independent or controlled media channels and quoting either an independent (customer) or controlled (product-supplier company) spokesperson. These hypotheses are designated H1 to H3. The second set of hypotheses explored whether an audience's attitude toward a company and attitude toward a product are affected by business information conveyed through independent or controlled media channel and quoting either an independent (customer) or controlled (product-supplier company) spokesperson. Codings for these hypotheses were H4 for attitude toward the company and H5 for attitude toward the product. The third set of hypotheses examined whether an audience's purchase intentions toward a company's stock or product are affected by business information conveyed through independent or controlled media channels and quoting either an independent

(customer) or controlled (product-supplier company) spokesperson. Codings for these

hypotheses were H6 for purchase intention for company stock and H7 for purchase intention for

a product. The last set of hypotheses investigated the effect, if any, of business expertise of an

audience as a covariate to assess the effect, if any, of business expertise (high or low) on intent to

purchase a company's stock or product when receiving business information conveyed through

independent or controlled media channels and quoting either an independent (customer) or

controlled (product-supplier company) spokesperson. This set of hypotheses are coded H8 for

purchase intention for company stock and H9 for purchase intention for a product.

For a priori orthogonal comparisons testing two experimental conditions, Kirk (1982)

recommended t-tests, and these were used to test the hypotheses predicting main effects for the

spokesperson manipulation. Since the assumptions of analysis of variance apply equally well to

t-tests, which are related to analysis of variance, and those assumptions were satisfied earlier, the

analyses proceeded with confidence. Analysis of variance, with the covariate of audiences' pre-

existing beliefs about media, and t-tests were used to test hypotheses involving all factors under

study.

I.   Media Channel- and Spokesperson-Related Hypotheses

H1: Media Channel Hypothesis Test

The first hypothesis, H1, predicted that independent media channels (newspaper

article online, independent research article online, financial message board posting) would be

perceived as more credible than a controlled media channel (advertorial online, press release

posted on a company Web site, customer testimonial posted on company message board).

The premise of the "implied third-party endorsement effect of media" rests with the

belief that independent media channels convey a positive effect that contributes to believability

and trust in the information they carry (Cameron, 1994; Guth & Marsh, 2007; Hallahan, 1999a, 1999b; Smith, 2009). Therefore, it was expected that independent media channels would be perceived as more credible than controlled media channels. This hypothesis was partially supported. A one-way analysis of variance of media credibility by media channel was significant (F (6, 500) = 9.0, p = .000). Follow-up comparisons using Tukey procedures revealed that the perceived credibility of the press release on the Web site (M = 3.3) was less than the perceived credibility of the other six experimental manipulations: newspaper article (M = 4.3), independent research article without photograph of spokesperson (M = 4.0), independent research article with photograph of spokesperson (M = 3.9), independent financial message board (M = 3.9), advertorial (M = 4.0), and company-controlled message board (M = 4.2).

H2: Spokesperson Hypothesis Test

Hypothesis H2 posited that business information quoting an independent spokesperson would be perceived by an audience as more credible than business information quoting a company spokesperson. This hypothesis was not supported by the study results. A t-test of the spokesperson trust measure by type of spokesperson was not significant (t (506) = .10, p = .753). There was no difference in perceived credibility of the spokesperson between the corporate spokesperson (M = 4.3) and independent spokesperson (M = 4.5). A t-test of the spokesperson competence measure by type of spokesperson was not significant (t (506) = .54, p = .462). There was no difference in the perceived credibility of the spokesperson between the corporate spokesperson (M = 4.5) and independent spokesperson (M = 4.6).

H3: Media Channel and Spokesperson Hypothesis Test

Hypothesis H3 tested for interactions between the treatment variables media channel and spokesperson to determine what, if any, effect they would have together on audiences perceptions of media credibility. This hypothesis was partially supported. Specifically, the hypothesis predicted that an audience would perceive business information about a company delivered through an independent channel (newspaper article online, independent research article online, financial message board posting) by an independent spokesperson as more credible than the same information delivered through a company-controlled channel (advertorial online, press release posted on a company Web site, customer testimonial posted on company message board) by a company spokesperson.

An analysis of covariance for media credibility by the independent variables type of media channel and type of spokesperson and the covariate media believability was significant (F (14, 316) = 6.22, p = .000). Main effects were observed for media channel (F (6, 316) = 4.83, p = .000) and spokesperson (F (1, 316) = 8.41, p = .004). There was no interaction involving media channel and spokesperson. (See Table 6.10)

Results of follow-up comparisons for media channel were reported under H1. A follow-up comparison using one-way analysis of variance with Tukey procedures for media credibility by type of spokesperson was significant (F (1, 505) = 13.7, p = .000). The independent spokesperson (M = 4.1) was perceived as more credible than the corporate spokesperson (M = 3.8).

Table 6.10

Results of Analysis of Covariance Between-Subjects Effects for Media Credibility

Source of Variation	Type III Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	68.56[a]	14	4.90	6.30	.000
Intercept	25.28	1	25.28	32.01	.000
Pre-experiment Media Believability	34.61	1	34.61	43.93	.000
Media Channel	22.84	6	3.81	4.83	.000
Spokesperson	6.62	1	6.62	8.41	.004
Channel*Spokesperson	1.76	6	.29	.37	.896
Error	248.98	316	.79		
Total	5524.14	331			
Corrected Total	317.53	330			

a. R Squared = .216 (Adjusted R Squared = .181)

II.   Attitude toward Company and Product Hypotheses

H4: Attitude toward Company Hypothesis

The second group of hypotheses dealt with audience attitude toward the company and

and the software product featured in the treatment material. Hypothesis H4, which was

partially supported, proposed that an audience would have a more positive attitude towards a

company based on business information delivered through an independent media channel

(newspaper article online, independent research article online, financial message board posting)

quoting an independent spokesperson compared with business information delivered through a company-controlled channel (press release posted on a company Web site, advertorial online and customer testimonial posted on company message board) quoting a company spokesperson.

An analysis of covariance of attitude toward the company with media credibility as a covariate was significant (F (14, 318) = 3.2, p = .000) with a significant main effect for media channel (F (6, 318) = 4.3, p = .000). (See Table 6.11) Follow-up comparisons using one-way analysis of variance with Tukey procedures indicated that those who received the press release posted on a company Web site (M = 4.2) had a less positive attitude toward the supplier company PMG than those receiving the same information through an independent newspaper article (M = 4.8), an independent research article without photograph of spokesperson (M = 4.6) and an advertorial (M = 4.6).

Table 6.11

Results of Analysis of Covariance Between-Subjects Effects for Attitude toward the Company

Source of Variation	Type III Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	38.16 [a]	14	2.73	3.20	.000
Intercept	85.72	1	85.72	100.36	.000
Pre-experiment Media Believability	10.11	1	10.11	11.83	.001
Media Channel	21.83	6	3.64	4.26	.000
Spokesperson	2.80	1	2.80	3.28	.071
Channel*Spokesperson	2.86	6	.48	.56	.763
Error	271.60	318	.85		
Total	7342.56	333			
Corrected Total	309.76	332			

a. R Squared = .123 (Adjusted R Squared = .085)

H5: Attitude toward Product Hypothesis

Hypothesis H5, which was partially supported, proposed that an audience would have

a more positive attitude toward a product based on business information delivered through an

independent channel (newspaper article online, independent research article online,

financial message board posting) quoting an independent spokesperson compared with business

information delivered through a company-controlled channel (press release posted on a company

Web site, advertorial online, and customer testimonial posted on company message board) quoting a company spokesperson.

An analysis of covariance of attitude toward a product with media believability as a covariate was significant (F (14, 317) = 2.35, p =.004) with a significant main effect for the spokesperson (F (14, 317) = 4.6, p = .031). (See Table 6.12) A one-way analysis of variance conducted using Tukey follow-up procedures revealed those who received the business information quoting the independent customer spokesperson (M = 4.8) had a more positive attitude toward the product than those who received the information quoting the company spokesperson (M = 4.6).

Table 6.12

Results of Analysis of Covariance Between-Subjects Effects for Attitude toward the Product

Source of Variation	Type III Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	31.87[a]	14	2.28	2.35	.004
Intercept	86.34	1	86.34	89.16	.000
Pre-experiment Media Believability	13.62	1	13.62	14.06	.000
Media Channel	11.53	6	1.92	1.98	.068
Spokesperson	4.54	1	4.54	4.68	.031
Channel*Spokesperson	1.86	6	.31	.32	.926
Error	306.95	317	.97		
Total	7864.44	332			
Corrected Total	338.82	331			

a. R Squared = .094 (Adjusted R Squared = .054)

III.   Purchase Intent-Related Hypotheses

The third group of hypotheses examined intent to purchase company stock and a aoftware product based on information received through independent or controlled media channels and independent or company spokespersons.

H6: Intent to Purchase Company Stock Hypothesis

Hypothesis H6, which was not supported, predicted that an audience would have a greater intent to purchase a company's stock when receiving business information delivered through an independent channel (newspaper article online, independent research article online, financial message board posting) quoting an independent spokesperson compared with business information delivered through a company-controlled channel (press release posted on a company Web site, advertorial online, customer testimonial posted on company message board) quoting a company spokesperson. An analysis of covariance with media believability as a covariate was not significant (F (14, 316) = 1.7, p =.057). (See Table 6.13)

Table 6.13

Results of Analysis of Covariance Between-Subjects Effects for Purchase Intent of Company (PMG) Stock

Source of Variation	Type III Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	11.98[a]	14	.86	1.69	.057
Intercept	30.67	1	30.67	60.43	.000
Pre-experiment Media Believability	5.56	1	5.56	10.96	.001
Media Channel	3.47	6	.58	1.14	.338
Spokesperson	1.61	1	1.61	3.18	.076
Channel*Spokesperson	1.99	6	.33	.65	.688
Error	160.37	316	.51		
Total	2937.33	331			
Corrected Total	172.35	330			

a. R Squared = .070 (Adjusted R Squared = .028)

H7: Intent to Purchase a Product Hypothesis

Hypothesis H7, which was not supported, predicted that an audience would have a greater intent to purchase a product when receiving business information delivered through an independent media channel (newspaper article online, independent research article online, financial message board posting) quoting an independent spokesperson compared with business information delivered through a company-controlled channel (press release posted on a company Web site, advertorial online, customer testimonial posted on company message board) quoting a company spokesperson. An analysis of covariance with media believability as a covariate was significant (F (14, 317) = 2.4, p = .004). However, there were no significant main effects. (See Table 6.14)

Table 6.14

Results of Analysis of Covariance Between-Subjects Effects for Purchase Intent of Product

Source of Variation	Type III Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	15.68[a]	14	1.12	2.36	.004
Intercept	31.50	1	31.50	66.23	.000
Pre-experiment Media Believability	8.01	1	8.01	16.83	.000
Media Channel	4.23	6	.71	1.48	.183
Spokesperson	1.64	1	1.64	3.45	.064
Channel*Spokesperson	1.27	6	.21	.45	.848
Error	150.78	317	.48		
Total	3314.56	332			
Corrected Total	166.47	331			

a. R Squared = .094 (Adjusted R Squared = .054)

IV.   Business Expertise-Related Hypotheses

H8: Business Expertise and Media Channel Hypothesis

Hypothesis H8, which was partially supported, proposed that an audience with a lower level of business expertise will perceive information from independent media channels to be more credible than those a higher level of business expertise receiving information from controlled media.

An analysis of variance was significant (F (3, 212) = 3.3, p = .022). (See Table 6.15) A main effect was found for business expertise (F (1, 212) = 7.6, p = .006). A follow-up test using a one-way analysis of variance with Tukey procedures (F (1, 214) = 8.4, p = .004) found that perceptions of media credibility, in general, are higher among those with low business expertise (M = 4.1) than those with high business expertise (M = 3.7).

Table 6.15

Results of Analysis of Variance Between-Subjects Effects of Media Credibility by Business Expertise and Media Channel

Source of Variation	Type III Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	10.36[a]	3	3.45	3.28	.022
Intercept	3166.18	1	3166.18	3005.33	.000
Business Expertise	8.04	1	8.04	7.63	.006
Media Channel	1.22	6	1.22	1.16	.283
Expertise*Channel	.37	1	.37	.35	.557
Error	223.35	212	1.05		
Total	3460.74	216			
Corrected Total	233.71	215			

a. R Squared = .044 (Adjusted R Squared = .031)

H9: Business Expertise and Spokesperson-Related Hypothesis

Hypothesis H9, which was partially supported, proposed that an audience with a lower level of business expertise will perceive an independent spokesperson as more credible and those with greater business expertise will find a company spokesperson more credible. Because spokesperson credibility is represented by two dependent measures – trust and competence – two analyses of variance were used to test H9. First, in examining spokesperson trust, an analysis of variance was significant (F (3, 212) = 5.2, p = .002) with main effects for business expertise (F (1, 212) = 4.9, p = .027) and for spokesperson (F (1, 212) = 9.4, p = .002). (See Table 6.16)

A one-way analysis of variance using Tukey follow-up procedures found that perceptions of spokesperson trust, in general, are higher among those with low business expertise ($M = 4.5$) than those with high business expertise ($M = 4.2$). A one-way analysis with Tukey procedures found that perceptions of the independent spokesperson trust, in general, are higher ($M = 4.5$) than of the corporate spokesperson ($M = 4.2$).

Table 6.16

Results of Analysis of Variance Between-Subjects Effects of Spokesperson Trust by Business Expertise and Type of Spokesperson

Source of Variation	Type III Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	11.21[a]	3	3.74	5.19	.002
Intercept	4048.24	1	4048.24	5622.95	.000
Business Expertise	3.55	1	3.55	4.93	.027
Spokesperson	6.80	1	6.80	9.44	.002
Expertise*Spokesperson	.48	1	.48	.67	.414
Error	152.63	212	.72		
Total	4220.92	216			
Corrected Total	233.71	215			

a. R Squared = .068 (Adjusted R Squared = .055)

An analysis of variance for spokesperson competence by business expertise and type of spokesperson was significant ($F (3, 213) = 2.8$, $p = .041$). There was no significant main effect for business expertise ($F (1, 213) = 3.2$, $p = .074$). There was a significant main effect for type

of spokesperson (F (1, 213) = 4.7, p = .03). (See Table 6.17) However, one-way analysis of

variance for spokesperson credibility by type of spokesperson was not significant (F (1, 506) =

2.9, p = .090).

Table 6.17

Results of Analysis of Variance Between-Subjects Effects for Spokesperson Competence by
Business Expertise and Type of Spokesperson

Source of Variation	Type III Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	5.04[a]	3	1.68	2.80	.041
Intercept	4315.84	1	4315.84	7200.13	.000
Business Expertise	1.93	1	1.93	3.22	.074
Spokesperson	2.80	1	2.80	4.67	.032
Expertise*Spokesperson	.10	1	.10	.16	.686
Error	125.68	213	.60		
Total	4459.72	217			
Corrected Total	132.71	216			

a. R Squared = .038 (Adjusted R Squared = .024)

In summary, the relationship between business expertise and spokesperson credibility, as

measured by trust and competence, is mixed. When looking at spokesperson credibility through

the spokesperson trust evaluation measure, business expertise was not a factor in how people

perceive credibility of independent and controlled spokespersons. However, further analysis

indicated that those with a low level of business expertise viewed spokespersons, in general, as

more trustworthy than did those with a high level of expertise. With the other spokesperson credibility measure, competence, no significant relationship was seen with business expertise.

Post hoc analyses were conducted to investigate the relationships presented in the testing of hypotheses further and to examine secondary dependent variables; these findings are discussed next.

Other Significant Findings

Post Hoc Testing of Pretest Media Believability Covariate

It was decided to further investigate possible effects of the media believability covariate in the tests of hypotheses H1-H7. An analysis of variance of the media credibility index by treatments was not significant (F (13, 322) = .89, p = .567). The absence of significance indicated that random assignment was successfully achieved in the experiment for this measure.

A nominal-level, high-low media believability measure was then created with scores ranging 1.53-3.12 (49.4%, N = 166) designated low media believability and scores ranging 3.18-4.82 (50.6%, N = 170) designated as high media believability.*

Full-Model Analysis of Variance of Media Credibility by High-Low Media Believability, Media Channel and Spokesperson

An analysis of variance of media credibility by high-low media believability, media channel and spokesperson was significant (F (1, 303) = 3.2, p = .000). (See Table 6.18) There were main effects for all three factors: high-low media believability (F (1, 303) = 26.7, p = .000), media channel (F (6, 303) = 5.3, p = .000), and spokesperson (F (1, 303) = 9.6, p = .002). Also indicated was a two-way interaction for high-low media believability and spokesperson (F (1, 303) = 3.86, p =.052).

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*In constructing the media believability index from the 17 1-5 scale items, 178 cases were excluded because of the value "6" don't know/no opinion being re-coded as missing data.

Follow-up tests of one-way analysis of variance with Tukey procedures were done for each of the three main effects. Test results for high-low media believability showed that those with high media believability had a higher media credibility score ($M = 4.2$) than did those with low media credibility ($M = 3.7$). Test results for spokesperson indicated that those with the independent spokesperson had a higher media credibility score ($M = 4.1$) than did those with the company spokesperson ($M = 3.8$). Test results for channel indicated that the press release scored significantly lower ($M = 3.4$) on media credibility than all other channels: newspaper article ($M = 4.3$), customer testimonial on company message board ($M = 4.2$), advertorial ($M = 4.1$), financial message board ($M = 4.1$), research article without photograph ($M = 4.0$), and research article with photograph ($M = 4.1$).

Table 6.18

Results of Post Hoc Analysis of Variance Between-Subjects Effects of Media Credibility by High-Low Media Believability, Media Channel and Spokesperson

Source of Variation	Type III Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	70.69[a]	27	2.62	3.21	.000
Intercept	4873.86	1	4873.86	5982.75	.000
Hi/Lo Media Believability	21.74	1	21.74	26.68	.000
Media Channel	25.75	6	4.29	5.27	.000
Spokesperson	7.83	1	7.83	9.61	.002
Hi/Lo Media Believability* Media Channel	4.87	6	.81	1.00	.428
Hi/Lo Media Believability* Spokesperson	3.11	1	3.11	3.82	.052
Media Channel*Spokesperson	3.51	6	.58	.72	.636
Hi/Lo Media Believability* Media Channel*Spokesperson	7.26	6	1.21	1.48	.183
Error	246.84	303	.82		
Total	5524.14	331			
Corrected Total	317.53	330			

a. R Squared = .223 (Adjusted R Squared = .153)

To examine the interaction between high-low media believability and spokesperson a follow-up test of simple main effects was conducted. For those who already believe the media results showed that an independent spokesperson enhances media credibility (F (1, 303) = 3.86,

$p = .052$, $M = 4.4$) compared with a corporate spokesperson ($M = 4.0$). Whereas, those who don't

believe the media find the media less credible, regardless of whether the spokesperson is

independent ($M = 3.8$) or corporate ($M = 3.6$). (See Table 6.19 and Figure 6.1)

Table 6.19

Media Credibility Score *(M)* as Function of High-Low Media Believability and Spokesperson

	High Believability	Low Believability
Spokesperson Type		
Independent Spokesperson	4.4[abc]	3.8[b]
Company Spokesperson	4.0[c]	3.6[a]

Figure 6.1

Media Credibility Score as Function of High-Low Media Believability and Spokesperson
(0=Low Believability, 1=High Believability)
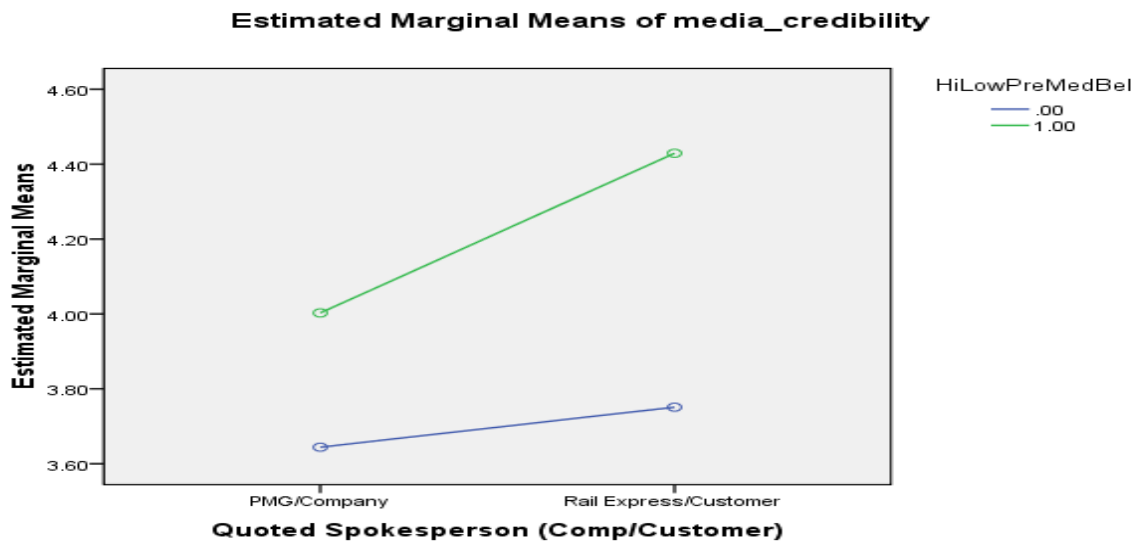
Analysis of Variance of Spokesperson Trust by High-Low Media Believability, Media Channel and Spokesperson

An analysis of variance of spokesperson trust by high-low media believability, media channel and spokesperson was significant (F (27, 304) = 2.18, p = .001). There were main effects for two factors: spokesperson (F (1, 304) = 14.34, p = .000) and high-low media believability (F (1, 304) = 20.36, p = .000. (See Table 6.20) No interactions were observed.

Follow-up tests of one-way analysis of variance with Tukey procedures were done for each of the main effects. Results of the follow-up analysis for spokesperson indicated that when measured by trust, the independent spokesperson scored higher (M = 4.8) than the company spokesperson (M = 4.1). Follow-up test results for high-low media believability showed the trust measure higher for those with high media believability (M = 4.5) than those with low media believability (M = 4.1).

Table 6.20

Results of Post Hoc Analysis of Variance Between-Subjects Effects of Spokesperson Trust by High-Low Media Believability, Media Channel and Spokesperson

Source of Variation	Type III Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	34.79[a]	27	1.29	2.18	.001
Intercept	6084.63	1	6084.63	10268.40	.000
Media Channel	6.50	6	1.08	1.83	.094
Spokesperson	8.50	1	8.50	14.34	.000
Hi/Lo Media Believability	12.07	1	12.07	20.36	.000
Media Channel* Spokesperson	2.45	6	.41	.69	.659
Media Channel*Hi/Lo Media Believability	.78	6	.13	.22	.971
Spokesperson*Hi/Lo Media Believability	.03	1	.03	.04	.835
Media Channel* Spokesperson*Hi/Lo Media Believability	5.15	6	.86	1.45	.196
Error	180.14	304	.59		
Total	6726.98	332			
Corrected Total	214.93	331			

a. R Squared = .162 (Adjusted R Squared = .087)

Analysis of Variance of Spokesperson Competence by High-Low Media Believability, Media Channel and Spokesperson

A post hoc analysis of variance of spokesperson competence by high-low media believability, media channel and spokesperson was not significant (F (27, 305) = 1.04, p = .411).

Post Hoc Analysis of Spokesperson Credibility Based on Presence of Photograph

To investigate any effect of the presence of a spokesperson photograph on perceived spokesperson credibility, the independent research article treatment was tested with and without a picture. It was expected that the research article with photo quoting an independent spokesperson would be viewed as more credible than any other of the three research article treatments (research article with photo quoting a company spokesperson, research article without photo quoting an independent spokesperson, and research article without photo quoting a company spokesperson).

A post hoc test of analysis of variance, however, showed no significant difference between with photograph and without photograph for either of the two dimensions of spokesperson credibility: trust (F (3, 140) = .897, p = .445) (See Table 6.21) and competence (F (3, 140) = .423, p = .737). (See Table 6.22)

Table 6.21

Post Hoc Analysis of Variance for Spokesperson Trust With Photograph/ Without Photograph

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	1.30	3	.43	.90	.445
Within Groups	67.49	140	.48		
Total	68.79	143			

Table 6.22

Post Hoc Analysis of Variance for Spokesperson Competence With Photograph/ Without Photograph

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	.60	3	.20	.42	.737
Within Groups	66.03	140	.47		
Total	68.63	143			

Differences Among Subjects

Gender

A chi-square test of expected frequencies of treatments by gender was not significant (X^2 (13) = 14.41, p = .346), indicating that random assignment was achieved.

Three analyses of variance were conducted for each of the three dependent variables – media credibility, spokesperson trust and spokesperson competence – by type of media channel, type of spokesperson and gender. The analysis of variance for media credibility (F (27, 475) = 4.50, p = .000) resulted in main effects for all three factors and a three-way interaction for media channel, spokesperson and gender (F (6, 475) = 2.61, p = .017). (See Table 6.23)

Follow-up tests of one-way analysis of variance with Tukey procedures were done for each of the main effects. Results of the follow-up analysis found that perceived media credibility was higher for females (F (1, 475) = 20.22, p = .000, M = 4.1) than for males (M = 3.7).

The follow-up analysis for media channel showed that perceived media credibility was lower for press release (F (6, 475) = 8.7, p = .000, M = 3.3) than for any other channel: newspaper article (M = 4.3), customer testimonial on company message board (M = 4.2),

advertorial (M = 4.0), research article without picture (M = 4.0), research article with picture (M = 3.9), and financial message board (M = 3.9).

In the follow-up analysis for spokesperson, perceived media credibility was higher for the independent spokesperson (F (1, 475 = 21.3, p = .000, M = 4.1) than for the company spokesperson (M = 3.8).

Table 6.23

Results of Post Hoc Analysis of Variance Between-Subjects Effects of Media Credibility by Channel, Spokesperson and Gender

Source of Variation	Type III Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	103.03[a]	27	3.82	4.50	.000
Intercept	7516.45	1	7516.45	7516.45	.000
Media Channel	44.31	6	7.39	8.71	.000
Spokesperson	18.03	1	18.03	21.27	.000
Gender	17.14	1	17.14	20.22	.000
Media Channel*Spokesperson	1.94	6	.32	.38	.891
Media Channel*Gender	3.25	6	.54	.64	.700
Spokesperson*Gender	.48	1	.48	.57	.450
Media Channel* Spokesperson*Gender	13.27	6	2.21	2.61	.017
Error	402.63	475	.85		
Total	8304.94	503			
Corrected Total	505.65	502			

a. R Squared = .204 (Adjusted R Squared = .158)

A test of simple effects of the three-way interaction examined media credibility scores for different channels varied based on gender and spokesperson type. (See Table 6.24 and Figures 6.2 and 6.3) For men, media credibility is lower regardless of the type of spokesperson quoted in press release on Web site (F (6, 475) = 2.6, p = .017, M = 3.0 – 3.2) and for corporate spokesperson quoted in a newspaper (M = 3.4) and on a financial message board (M = 3.5), as well as women reading a press release quoting a company spokesperson (M = 3.2), compared with, for women, regardless of type of spokesperson quoted in newspapers (M = 4.5 – 4.6), and when independent spokespersons are quoted in financial message boards (M = 4.6), advertorials (M = 4.5) and customer testimonials on company message boards (M = 4.8). Women reading a research article with a photo of the spokesperson regardless of the spokesperson's affiliation (M = 4.0-4.1) and a research article quoting an independent spokesperson who was not pictured (M = 4.3) found the media more credible than when they read a press release quoting a corporate spokesperson (M = 3.2). Men reading a research article without a photo of an independent spokesperson (M = 4.2) found the media more credible than when they read a press release quoting a corporate spokesperson (M = 3.2).

Table 6. 24

Media Credibility Score *(M)* as Function of Gender, Channel and Spokesperson

		Male			Female	
		Ind. Spokes./Co. Spokes.			Ind. Spokes./Co. Spokes.	
Channel						
Newspaper	M =	4.3^a	3.4^e	M =	4.5^{abc}	4.6^{abcde}
Research article w/picture		3.9	3.5		4.1^a	4.0^a
Research article w/o picture		4.2^a	3.7		4.3^a	4.0
Financial message board		3.8	3.5^d		4.6^{abce}	3.6
Press release on Web site		3.2^b	3.0^a		3.8	3.2^c
Advertorial (sponsored article)		3.9	4.2^a		4.5^{ab}	3.8
Customer testimonial on company message board		4.1^a	4.0^a		4.8^{abcde}	4.2^a

Figure 6.2

Media Credibility Score as Function of Gender, Channel and Spokesperson – Male

Estimated Marginal Means of media_credibility

at Gender (1-Male, 2-Female) = Male
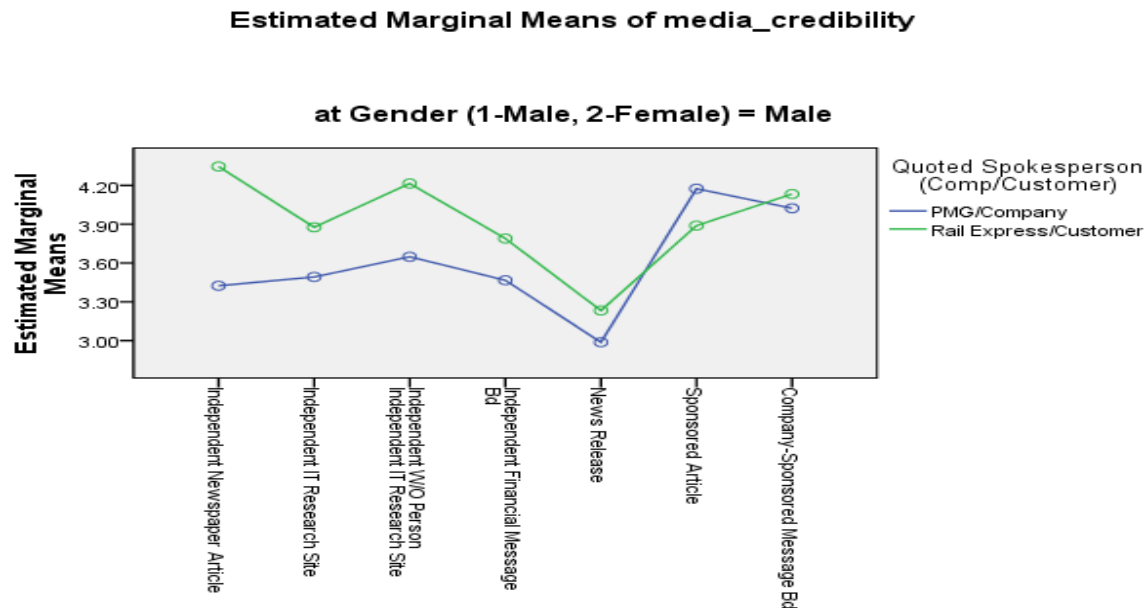
Figure 6.3

Media Credibility Score as Function of Gender, Channel and Spokesperson – Female

Estimated Marginal Means of media_credibility

at Gender (1-Male, 2-Female) = Female
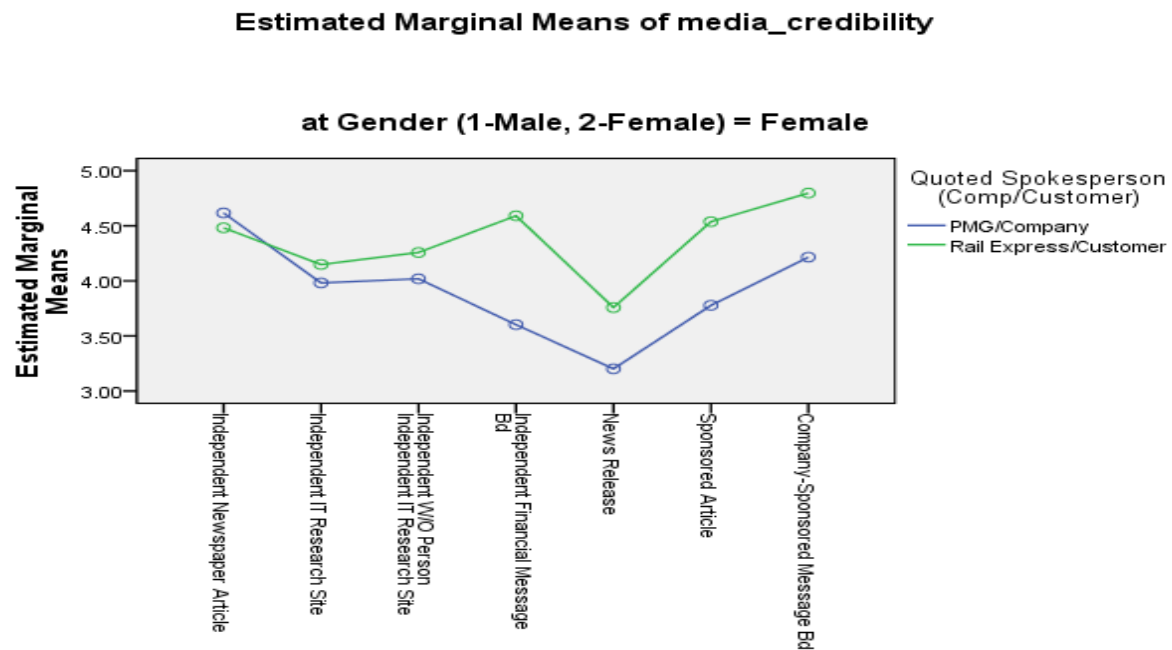
The analysis of variance for spokesperson trust by type of media channel, type of spokesperson and gender was significant (F (27, 476) = 2.26, p = .000) with main effects for spokesperson and gender but there were no interactions. (See Table 6.25) A one-way analysis of variance using Tukey follow-up procedures on the gender factor found that perceived spokesperson trust was higher for females (F (1, 502) = 24.51, M = 4.6) than for males (M = 4.2). A one-way analysis of variance using Tukey follow-up procedures for spokesperson showed that spokesperson trust was higher for the independent spokesperson (F (1, 506) = 74.9, p = .027, M = 4.5 than for the company spokesperson (M = 4.3).

Table 6.25

Results of Post Hoc Analysis of Variance Between-Subjects Effects of Spokesperson Trust by
Channel, Spokesperson and Gender

Source of Variation	Type III Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	36.00[a]	27	1.33	2.26	.000
Intercept	9366.69	1	9366.68	15893.12	.000
Media Channel	6.73	6	1.12	1.90	.079
Spokesperson	4.50	1	4.50	7.64	.006
Gender	12.71	1	12.71	21.57	.000
Media Channel*Spokesperson	1.26	6	.21	.36	.906
Media Channel*Gender	2.60	6	.43	.74	.621
Spokesperson*Gender	.16	1	.16	.19	.659
Media Channel* Spokesperson*Gender	4.97	6	.83	1.41	.210
Error	280.53	476	.59		
Total	10055.50	504			
Corrected Total	316.53	503			

a. R Squared = .114 (Adjusted R Squared = .063)

The analysis of variance for spokesperson competence by type of media channel, type of
spokesperson and gender was significant (F (27, 476) = 1.84, p = .007) with main effects for
spokesperson (F (1, 476) = 4.5, p = .035) and gender (F (1, 476) = 16.8, p = .000), but there were
no interactions. (See Table 6.26) A one-way analysis of variance using Tukey follow-up

procedures on the gender factor found that perceived spokesperson competence was higher for females (F (1, 502) = 20.45, p = .000, M = 4.7) than for males (M = 4.4). A one-way analysis of variance using Tukey follow-up procedures on the spokesperson factor was not significant.

Table 6.26

Results of Post Hoc Analysis of Variance Between-Subjects Effects of Spokesperson Competence by Channel, Spokesperson and Gender

Source of Variation	Type III Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	26.46[a]	27	.98	1.84	.007
Intercept	9885.84	1	9885.84	18520.51	.000
Media Channel	1.77	6	.30	.55	.768
Spokesperson	2.39	1	2.39	4.48	.035
Gender	8.96	1	8.96	16.79	.000
Media Channel*Spokesperson	2.27	6	.38	.71	.644
Media Channel*Gender	2.68	6	.45	.84	.542
Spokesperson*Gender	.28	1	.28	.52	.470
Media Channel* Spokesperson*Gender	5.63	6	.94	1.76	.106
Error	254.08	476	.53		
Total	10602.36	504			
Corrected Total	280.53	503			

a. R Squared = .094 (Adjusted R Squared = .043)

Age

A nominal-level variable for age was created with ages 18-24 designated "younger"

(47.2%, $N = 239$) and ages 25-52 designated "older" (52.8%, N = 267). A chi-square test of

expected frequencies of treatments by the nominal-level variable for age was significant (X^2 (13)

= 39.74, p = .000). Cell sizes ranged from 5 to 32. No further statistical analyses were conducted

with the nominal-level variable for age.

Education

A nominal-level variable for education level was created with undergraduate students

(44.3%, $N = 222$) and graduate students (54.2%, $N = 279$). A chi-square test of expected

frequencies of treatments by the nominal-level variable for education was not significant (X^2 (13)

= 20.72, p = .079).

An analysis of variance of media credibility by spokesperson, media channel and

education level was significant (F (27, 459) = 4.21, p = .000). (See Table 6.27) There were

main effects for spokesperson, channel and education level. There were no interactions.

A one-way analysis of variance with Tukey procedures found that undergraduate students

(F (1, 485) = 20.53, p = .000, $M = 4.3$) viewed media in general as more credible than did

graduate students ($M = 3.8$). A one-way analysis of variance with Tukey procedures found that

the press release scored lower on media credibility (F (6, 500) = 9.0, p = .000, $M = 3.3$) than any

other channel: newspaper article ($M = 4.3$), customer testimonial on company message board (M

= 4.2), advertorial ($M = 4.0$), research article without picture ($M = 4.0$), research article with

picture ($M = 3.9$), and financial message board ($M = 3.9$). A one-way analysis of variance with

Tukey procedures showed higher media credibility for the independent spokesperson (F (1, 505)

= 13.7, p = .000, $M = 4.1$) than for the company spokesperson ($M = 3.8$).

Table 6.27

Results of Post Hoc Analysis of Variance Between-Subjects Effects of Media Credibility by Channel, Spokesperson and Education Level

Source of Variation	Type III Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	98.05[a]	27	3.63	4.21	.000
Intercept	5153.20	1	5153.20	5968.05	.000
Spokesperson	13.06	1	13.06	15.12	.000
Media Channel	27.90	6	4.65	5.39	.000
Education Level	6.55	1	6.55	7.59	.006
Spokesperson* Media Channel	6.17	6	1.03	1.19	.310
Spokesperson* Education Level	.17	1	.17	.20	.655
Media Channel* Education Level	6.18	6	1.03	1.19	.309
Spokesperson* Media Channel* Education Level	10.58	6	1.76	2.04	.059
Error	396.33	459	.86		
Total	8093.80	487			
Corrected Total	494.38	486			

a. R Squared = .198 (Adjusted R Squared = .151)

An analysis of variance of spokesperson trust by spokesperson, media channel and education level was significant (F (27, 460) = 1.77, p = .011). (See Table 6.28) There were main effects for channel, spokesperson and education. There were no interactions.

A one-way analysis of variance with Tukey procedures found that spokesperson trust was higher for undergraduate students (F (1, 486) = 11.48, p = .001, M = 4.6) than for graduate students (M = 4.3). A one-way analysis of variance with Tukey procedures indicated that spokesperson trust was lower for press release (F (6, 501) = 2.2, p = .039, M = 4.12) than for any other channel: newspaper (M = 4.54), advertorial (M = 4.47), customer testimonial on company message board (M = 4.47), financial message board (M = 4.46), research article without picture (M = 4.4), and research article with picture (M = 3.34). A one-way analysis of variance with Tukey procedures found that trust was higher for the independent spokesperson (F (1, 506) = 4.9, p = .027, M = 4.5) than for the company spokesperson (M = 4.3).

An analysis of variance of spokesperson competence by spokesperson, media channel and education level was not significant (F (27, 460) = 1.49, p = .056).

Table 6.28

Results of Post Hoc Analysis of Variance Between-Subjects Effects of Spokesperson Trust by Channel, Spokesperson and Education Level

Source of Variation	Type III Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	27.86[a]	27	1.03	1.77	.011
Intercept	6254.20	1	6254.20	10712.99	.000
Media Channel	8.07	6	1.34	2.30	.034
Spokesperson	3.09	1	3.09	5.29	.022
Education	2.54	1	2.54	4.35	.038
Media Channel*Spokesperson	3.63	6	.61	1.04	.400
Media Channel*Education	4.29	6	.71	1.22	.293
Spokesperson*Education	.02	1	.02	.03	.861
Media Channel* Spokesperson*Education	1.84	6	.31	.53	.789
Error	268.55	460	.58		
Total	9767.64	488			
Corrected Total	296.41	487			

a. R Squared = .094 (Adjusted R Squared = .041)

Race

A nominal-level variable for ethnicity was created with whites (54.1%, $N = 278$) assigned to one value and all other racial groups (45.9%, $N = 236$) assigned to another value. A chi-square test of expected frequencies of treatments by race was not significant (X^2 (13) = 20.89, p = .075).

An analysis of variance of media credibility by race, media channel and spokesperson was significant (F (27, 467) = 3.63, p = .000). There were main effects for channel and spokesperson and a two-way interaction for spokesperson and race (F (1, 467) = 6.94, p = .009). (See Table 6.29)

A one-way analysis of variance with Tukey procedures found that the press release scored lower on media credibility (F (6, 467) = 9.4, p = .000, M = 3.3) than any other channel: newspaper article (M = 4.3), customer testimonial on company message board (M = 4.2), advertorial (M = 4.0), research article without picture (M = 4.0), research article with picture (M = 3.9), and financial message board (M = 3.9). A one-way analysis of variance with Tukey procedures showed higher media credibility for the independent spokesperson (F (1, 467) = 16.5, p = .000, M = 4.1) than for the company spokesperson (M = 3.8).

Table 6.29

Results of Post Hoc Analysis of Variance Between-Subjects Effects of Media Credibility by Channel, Spokesperson and Race

Source of Variation	Type III Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	87.20[a]	27	3.23	3.63	.000
Intercept	7291.25	1	7291.25	8184.89	.000
Media Channel	50.13	6	8.36	9.38	.000
Spokesperson	14.72	1	14.72	16.52	.000
Race	.37	1	.37	.41	.522
Media Channel*Spokesperson	3.89	6	.65	.73	.627
Media Channel*Race	10.59	6	1.75	1.97	.069
Spokesperson*Race	6.18	1	6.18	6.94	.009
Media Channel*Spokesperson* Race	1.22	6	.20	.23	.967
Error	416.01	467	.89		
Total	8204.30	495			
Corrected Total	503.21	494			

a. R Squared = .173 (Adjusted R Squared = .125)

A test of simple effects for the interaction between spokesperson and race found that non-whites find the media less credible when quoting a company spokesperson (F (1, 467) = 6.94, p = .009, M = 3.7) than an independent spokesperson (M = 4.3) and than whites when either type of spokesperson were quoted (M = 3.9 – 4.0). Whites found the media more credible when an

independent spokesperson was quoted ($M = 4.0$) than non-whites judged media credibility when a company spokesperson was quoted ($M = 3.7$) but whites found the media less credible when an independent spokesperson was quoted ($M = 4.0$) than did non-whites ($M=4.3$). (See Table 6.30 and Figure 6.4)

Table 6.30

Media Credibility Score *(M)* as Function of Race and Spokesperson

	Race	
	Non-White	White
Spokesperson Type		
Independent Spokesperson	4.3[ab]	4.0[bc]
Company Spokesperson	3.7[abc]	3.9[a]

Figure 6.4

Media Credibility Score as Function of Race and Spokesperson (1=Non-White, 2=White)
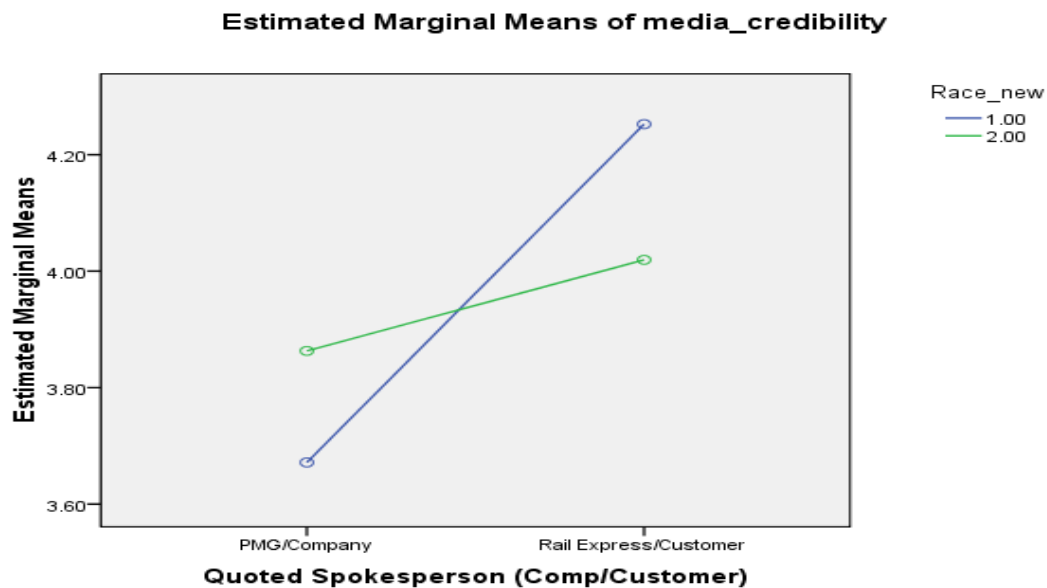
An analysis of variance of spokesperson trust by race, media channel and spokesperson was significant (F (27, 468) = 1.92, p = .004) with main effects for all three factors but no interactions. (See Table 6.31)

A one-way analysis of variance using Tukey follow-up procedures found that perceived spokesperson trust was higher for whites (M = 4.5) than for non-whites (M = 4.3). A one-way analysis of variance using Tukey follow-up procedures for media channel was not significant (F (6, 501) = 1.45, p = .192). A one-way analysis of variance using Tukey follow-up procedures for spokesperson was not significant (F (1, 506) = 2.75, p = .098.

Table 6.31

Results of Post Hoc Analysis of Variance Between-Subjects Effects of Spokesperson Trust by Channel, Spokesperson and Race

Source of Variation	Type III Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	30.77[a]	27	1.14	1.92	.004
Intercept	8976.42	1	8976.42	15150.07	.000
Media Channel	10.58	6	1.76	2.98	.007
Spokesperson	2.93	1	2.93	4.94	.027
Race	8.52	1	8.52	14.37	.000
Media Channel*Spokesperson	4.05	6	.68	1.14	.338
Media Channel*Race	1.96	6	.33	.55	.769
Spokesperson*Race	1.09	1	1.09	1.85	.175
Media Channel*Spokesperson* Race	2.77	6	.46	.78	.587
Error	277.29	468	.59		
Total	9908.20	496			
Corrected Total	308.06	495			

a. R Squared = .100 (Adjusted R Squared = .048)

An analysis of variance of spokesperson competence by race, media channel and spokesperson was significant ($F_{(27, 468)} = 1.63$, $p = .024$) with main effects and a two-way interaction for spokesperson and race. (See Table 6.32)

Table 6.32

Results of Post Hoc Analysis of Variance Between-Subjects Effects of Spokesperson Competence by Channel, Spokesperson and Race

Source of Variation	Type III Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	23.36[a]	27	.87	1.64	.024
Intercept	9536.48	1	9536.48	18032.41	.000
Media Channel	5.17	6	.86	1.63	.137
Spokesperson	2.15	1	2.15	4.06	.045
Race	7.41	1	7.41	14.01	.000
Media Channel*Spokesperson	3.67	6	.61	1.16	.329
Media Channel*Race	1.96	6	.33	.62	.716
Spokesperson*Race	2.72	1	2.72	5.14	.024
Media Channel*Spokesperson* Race	1.50	6	.25	.47	.830
Error	247.50	468	.53		
Total	10439.75	496			
Corrected Total	270.86	495			

a. R Squared = .086 (Adjusted R Squared = .034)

A follow-up test of simple effects was conducted to examine the interaction between spokesperson and race. The test showed that whites see independent and company spokespersons as equally competent (F (1, 468) = 5.14, p = .024, M = 4.6), while non-whites see company spokespersons as less competent (M = 4.3) than independent spokespersons (M = 4.5). (See Table 6.33 and Figure 6.5)

Table 6.33

Spokesperson Competence Score *(M)* as Function of Race and Spokesperson

	Race	
	Non-White	White
Spokesperson Type		
Independent spokesperson	4.5[a]	4.6[a]
Company spokesperson	4.3[a]	4.6[a]

Figure 6.5

Spokesperson Competence Score as Function of Race and Spokesperson
(1=Non-White, 2=White)
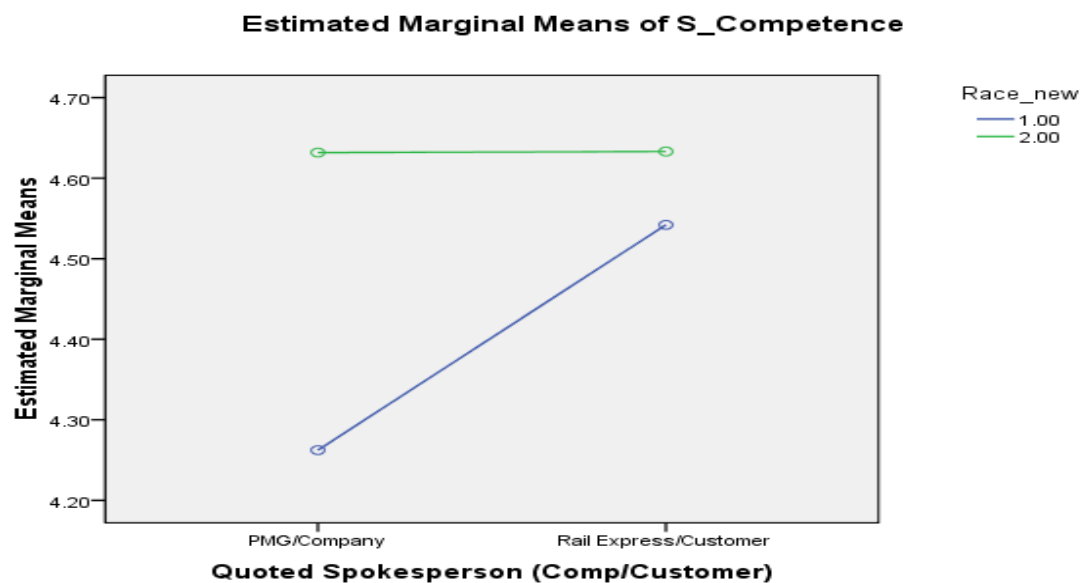
Finally, because the spokesperson photograph was of an African-American, an analysis of variance of media credibility by the nominal-level race variable and presence or lack of a spokesperson photograph was conducted; it was not significant (F (1, 491) = .25, p =.617). There were no main effects or interactions in evaluations of media credibility due to race and/or presence of a photo of an African-American spokesperson.

The next chapter offers a discussion of the qualitative and quantitative results, conclusions and implications for public relations practitioners, and suggestions for future research.

CHAPTER 7

DISCUSSION

Overview of Study

This dissertation investigated implied third-party endorsement effect on business news

and information conveyed through independent media channels vs. controlled media channels

and by an independent third-party spokesperson vs. a company spokesperson. In this research,

independent media channels were represented by media such as an online newspaper article,

independent research article online, and a financial message board posting. Controlled media

channels were represented by media such as a press release posted on a company Web site, an

online advertorial, and a customer testimonial posted on a company message board. The

company spokesperson was portrayed in the manipulation as an executive of PMG, Inc., a

software supplier, and the independent third-party spokesperson was characterized as an

executive of RailExpress, Inc., a PMG customer.

 The study included both qualitative and quantitative research methods. The qualitative

component included interviews with 10 public relations practitioners and 10 business people

about their perceptions of the implied third-party endorsement effect, media credibility and the

use and impact of media stories in their daily work. The quantitative research involved an

experiment, with 514 subjects, to test hypotheses related to media channel and spokesperson

credibility.

Four groups of research hypotheses, nine in all, were presented in detail in Chapter 3 to

predict the effects of three factors (media channel, spokesperson, and media channel and

spokesperson in combination) on dependent variable measures related to media credibility and spokesperson credibility, attitude toward a company and product, and behavioral intention (purchase intent of stock and a product).

A summary of hypotheses and results of data analysis are presented in Table 7.1 and discussed along with key findings. These are followed by discussions of the study's limitations and problems, conclusions and implications for public relations practitioners, and suggestions for future research.

Table 7.1   Summary of Hypotheses Test Results

Hypotheses	Findings	Results
I. Media Channel- and Spokesperson-Related Hypotheses (H1, H2, H3) *Media Channel Hypothesis* H1: Independent media channels will be perceived by an audience as more credible than a controlled media channel.	Partially supported	$F\,(6, 500) = 9.0$, p = .000 Dependent variable: Media credibility • Press release less credible than any of the other six media channels
Spokesperson Hypothesis H2: Business information quoting an independent spokesperson will be perceived by an audience as more credible than business information quoting a company spokesperson.	a. Not supported b. Not supported	a. $t\,(506) = .10$, p = .753 b. $t\,(506) = .54$, p = .462 Dependent variables: a. Spokesperson credibility (Trust) b. Spokesperson credibility (Competence)
Media Channel and Spokesperson Hypothesis H3: An audience will perceive business information about a company delivered through an independent media channel quoting an independent source as more credible than the same information delivered through a company-controlled media channel quoting a company spokesperson.	Partially supported Main effects for media channel and spokesperson	$F\,(14, 316) = 6.22$, p = .000 Dependent variable: Media credibility • Press release less credible than any of the other six media channels • Independent spokesperson more credible than company spokesperson

Note: In all hypotheses, "independent media channel" includes: newspaper article online, independent research article online with spokesperson photograph, independent research article without spokesperson photograph and financial message board posting, and "company-controlled media channel" includes: press release posted on a company Web site, advertorial online, and customer testimonial posted on company message board.

Hypotheses	Findings	Results
II. Attitude Toward Company and Product Hypotheses (H4, H5) *Attitude-Related Hypothesis (Company)* H4: An audience will have a more positive attitude toward a company based on business information delivered through an independent media channel quoting an independent spokesperson compared with business information delivered through a company-controlled media channel quoting a company spokesperson.	Partially supported Main effect for media channel	F (14, 318) = 3.2, p = .000 Dependent variable: Attitude toward company • Information from press release led to less favorable attitude toward company than information from any of the other six media channels
Attitude-Related Hypothesis (Product) H5: An audience will have a more positive attitude toward a product based on business information delivered through an independent media channel quoting an independent spokesperson compared with business information delivered through a company-controlled media channel quoting a company spokesperson.	Partially supported Main effect for spokesperson	F (14, 317) = 2.35, p = .004 Dependent variable: Attitude toward product • Information quoting an independent spokesperson led to more favorable attitudes toward product than information quoting a company spokesperson

Hypotheses	Findings	Results
III. Purchase Intent-Related Hypotheses (H6, H7) *Intent to Purchase Company Stock Hypothesis* H6: An audience will have a greater intent to purchase a company's stock when based on business information delivered through an independent media channel quoting an independent spokesperson compared with business information delivered through a company-controlled media channel quoting a company spokesperson.	Not supported No significant main effects	F (14. 316) = 1.7, p = .057 Dependent variable: Purchase intent
Intent to Purchase a Product Hypothesis H7: An audience will have a greater intent to purchase a product when based on business information delivered through an independent media channel quoting an independent spokesperson compared with business information delivered through a company-controlled media channel quoting a company spokesperson.	Not supported No significant main effects	$F(14, 317) = 2.4$, p = .004 Dependent variable: Purchase intent
IV. Business Expertise-Related Hypotheses (H8, H9) *Business Expertise and Media Channel Hypothesis* H8: An audience with a low level of business expertise will perceive information from independent media channels as more credible than those with a high level of business expertise receiving information from controlled media.	Partially supported Main effect for business expertise	F (1, 212) = 3.3, p = .022 Dependent variable: Media Credibility Perceptions of media credibility, in general, are higher by those with low business expertise than by those with more business expertise

Hypotheses	Findings	Results
Business Expertise and Spokesperson Hypothesis H9: An audience with a low level of business expertise will perceive an independent spokesperson as more credible than those with a high level of business expertise will perceive a company spokesperson.	a. Partially supported (main effect) b. Not supported	F (3, 212) = 5.2, p = .002 a. Dependent variable: Spokesperson credibility (Trust) • Perceptions of spokesperson credibility in general are higher by those with less business expertise than those with more business expertise F (3, 213) = 2.8, p = .041 b. Dependent variable: Spokesperson credibility (Competence) • Follow-up comparisons not significant

Summary of Hypotheses and Test Results

Generally, it was hypothesized that audiences would perceive independent media channels as more credible than controlled media channels. By extension, news and information conveyed through independent media channels with no vested interest in the communication outcome would be viewed as more credible than the same news and information conveyed through controlled media channels with a vested interest in how an audience responds.

Similarly, it also was hypothesized that audiences would perceive an independent spokesperson, along with the message being expressed, as more credible than the same message presented by a company spokesperson. It followed that news and information would be perceived as more credible when conveyed through an independent media channel by an independent spokesperson than through a controlled media channel by a company spokesperson.

It also was expected that receiving information from independent media channels would result in more positive attitudes toward the companies and software product than receiving the same information from controlled media channels. Additionally, it was anticipated that purchase intent for company stock and the software product would be higher among those who received information from independent media channels vs. controlled media channels.

Finally, the study proposed that individuals with dissimilar levels of business expertise (high or low) would perceive the credibility of independent media channels and controlled media channels differently. Level of business expertise also was expected to influence attitude toward and purchase intent of the companies, their stocks and the software product.

Review of Qualitative Research

One of the primary purposes of the qualitative research (interviews with 10 public relations practitioners and 10 business people) was to determine if the concept of an implied

third-party endorsement effect was understood and the level of its acceptance by both groups. Indeed, the idea that information conveyed through independent media channels was perceived as more credible than information conveyed through controlled media channels was supported by both public relations and business professionals. That said, individuals in both groups observed that the credibility of the news media, in general, is declining and this moderated their belief in the strength of the third-party effect. Nevertheless, most all public relations practitioners said they used information from the news media in their daily work. The applications ranged from surveillance and research on clients and clients' competitors to identifying story ideas and trends to actually leveraging the implied credibility of information from the media to persuade audiences and clients.

Not surprising was skepticism of public relations and business professionals toward quotations attributed to company officials that appear in press releases and published articles. The inside knowledge that press releases, including quotes, are typically written by a public relations practitioner and extensively reviewed and edited prior to distribution raised doubts about credibility. Despite their personal views, most public relations practitioners and business people felt that the public saw quotations in a more positive, believable light. This view might be based partly on the belief that the general public is less knowledgeable and discerning of media and partly on the desire to validate their own ability to present believable statements through company-prepared materials.

In considering the credibility of customer testimonials, a type of third-party endorsement, most public relations practitioners and business people felt they were somewhat credible. Both groups generally believed, however, that the public finds customer testimonials quite credible and valuable as a communication device. Several of the public relations and business

professionals noted their use of customer testimonials in their communication with target audiences, clients and customers.

All of the public relations practitioners interviewed said they believed their clients generally saw value in media coverage in independent media channels. However, that belief was not always consistent across the board. For example, one corporate public relations practitioner noted that his company's new chief executive officer recognized value in media coverage, not all of the company managers in the organizations shared that view. Consequently, the public relations practitioner spent a good amount of time attempting to educate company managers about and demonstrate to them the potential of media coverage.

Despite acknowledging the value of independent-media coverage, media credibility was not necessarily *the* critical factor in determining where public relations practitioners sought to place stories about their clients. Targeting media that reached the desired audience and were relevant to the client and the client's business also were key factors. That is, some media might not be generally perceived as highly credible, but their relevance to a particular audience might outweigh that consideration. For some the reality of their job is all about just getting the story placed. As one practitioner noted, "A story needs to be targeted, but I also think that you can consider any good hit a victory. At the end of the day, you take what you can get."

Media Channel and Spokesperson Hypotheses

Overall, findings on the presence and influence of implied third-party endorsement effect were mixed, which is consistent with the mixed results of earlier studies (Cameron, 1994; Hallahan, 1999a, 1999b; Michaelson & Stacks, 2007). That said, there was some evidence of enhanced credibility of information communicated through independent media channels by an

independent spokesperson. These findings are reviewed in relation to existing theory and previous studies.

The premise of "implied third-party endorsement effect of media" rests with the belief that independent media channels convey a positive effect that contributes to enhanced credibility of the information they transmit (Cameron, 1994; Guth & Marsh, 2007; Hallahan, 1999a, 1999b; Smith, 2009). Therefore, it was expected that independent media channels would be perceived as more credible than controlled media sources. This hypothesis was partially supported.

As expected, the perceived-credibility level of the press release posted on a company Web site (company-controlled media channel) was lower than the perceived credibility level of all four independent media channel treatments – the newspaper article, the research article without a photograph of spokesperson, the research article with a photograph of spokesperson, and the financial message-board posting. This finding lends some support to the concept of an implied third-party endorsement effect favoring independent media channels compared with a "controlled" press release posted on a company Web site.

Also, contrary to expectations, the perceived credibility of the press-release posting on a company Web site was lower than the two other controlled-media channel treatments, an advertorial and a company-controlled message board. Interestingly, these two media channels were viewed as credible as the independent media channels tested in this experiment.

The source credibility literature reviewed in Chapter 3 may offer some explanation for the similar credibility assessments. Despite evidence that, in general, subjects accurately identified the media channel of the treatment they received, some blurring of source identification may occur in the minds of an audience. In his research, Chafee (1982) showed that some information recipients do not clearly distinguish the originating source, message and

communication channel as they process information. Consequently, while people may have a

preconceived idea of the credibility of various media channel sources, they may experience a

blurring of distinction when actually being exposed to and processing information. This result

may also reflect some subjects' assessment of the advertorial as a published document on a Web

site, even though its content is totally controlled by the company paying for it. In addition, the

general knowledge that message boards serve as online areas for individuals to post their own

personal comments and opinions may have superseded the fact that in this study the message

board was hosted on a company-controlled Web site.

Possible Reaction to Term "Press Release"

The press release posted on a company Web site clearly stood out with the lowest

credibility rating in comparison with all other media channels in the study. Understanding this

result is complex because the treatment was presented as "a press release on a company Web

site" and subjects' responses may have been prompted by the overall treatment, the designation

of "press release" or the placement on a "company Web site." The experimental design did not

allow for isolating the respective credibility levels of the two individual elements. It is unclear

whether subjects were responding to the overall treatment or the cues, "company Web site" or

"press release." However, one other treatment, customer testimonial on company message board

Given that the other company-controlled Web site treatment and online advertorial were

viewed comparably to independent media channels, the "press release" designation may well

have been the trigger for the lower credibility ratings. People may assign a negative connotation

to the term "press release," as was apparent in this study's responses. If so, this points to the

importance of peripheral cues, such as media format or even a title designation such as press

release. The impact of peripheral cues is examined in the heuristic-systematic model of

information processing. This model proposes that under some circumstances (e.g., low message relevance and/or ability to process information) people will develop positions based more on peripheral factors than the relative strength or weakness of the information (Chen, Duckworth, & Chaiken, 2000). Subjects in this study may have relied on the peripheral cue of a press release in assessing the article's credibility.

There was no support for hypotheses that predicted audiences would perceive greater credibility for an independent spokesperson than a company spokesperson. One possible reason for this result was that both spokespersons were identified as vice presidents of their respective companies. The presence of a senior-level title may have conveyed a similar image of authority and competence in both cases. The same professional titles were used in the experimental treatments to isolate the test on the spokesperson's affiliation, either the independent customer or the supplier company. Also, the use of quotations by individuals at a senior-executive level reflected what is typical in a real-world situation. If the company representative had been identified simply as a company spokesperson or a public relations spokesperson, the result may have been different, but rather obvious given the discrepancy in the job title and authority level of the positions.

Attitude Toward Company and Product Hypotheses

The second group of hypotheses dealt with audience attitude toward the company and the software product featured in the treatment material. The intent was to examine whether receiving information from an independent- or controlled-media channel would have different effects on business people's opinions of a company or a product. These hypotheses were grounded in the theory of reasoned action and its extension, the theory of planned behavior. These theories propose that the best predictor of behavior is an individual's intended behavior –

behavior taken of one's own volition (Fishbein & Ajzen, 1975, 1980; Hale, Householder, & Greene, 2002). According to the theory of reasoned action, behavioral intention is determined by one's attitude toward the behavior and subjective norm, how one perceives the attitudes of others toward the behavior (Fishbein & Ajzen, 1980). A meta-analysis of research involving the theory of reasoned action by Sheppard, Hartwick, and Warshaw (1988) identified various levels of the predictive ability of this theory across a number of applications.

Results of the new research presented here offered some support for these attitudinal and behavioral theories. The hypothesis that looked at attitude toward the company was partially supported. It proposed that an audience would have a more positive attitude towards a company based on business information an independent media channel by an independent spokesperson compared with business information delivered through a company-controlled by a company spokesperson. The only significant difference involved the press release posted on the company Web site (controlled media channel) when compared with the independent newspaper article, independent research article without spokesperson photo and the advertorial.

Nevertheless, in support of the hypothesis, those who received the newspaper article and the independent research article without photograph viewed the company more favorably than those who received the press release. However, this was not the case with the two other independent media channels, research article with photograph and posting on a financial message board. The presence of a spokesperson photograph did not positively influence attitude and apparently had a negative effect. The divergent result for the article *with* photograph compared to *without* photograph may indicate that the treatment with photo appeared to subjects more as an advertisement than a news article.

Another consideration is that participants may have been influenced by characteristics of the person depicted, such as gender, age and race, or the photographic style and layout design. Further analysis of these factors was beyond the scope of this study but may offer a possible avenue for future research. Interestingly, one of the controlled media channels, the advertorial, also produced a more positive attitude toward the company than the press release. This result may support the idea that advertorials in an online setting are not seen as sponsored, or paid, placements and viewed more as a news article. And even if they are viewed as sponsored, that may make no real difference in how their content influences attitude toward the subject of the article.

The analogous hypothesis considering attitude toward the product was only partially supported, as well. While there were no main effects for media channel, the findings for spokesperson were as expected, showing that subjects viewed the product more favorably if they received the information from an independent, rather than a company, spokesperson. This result, while at face value may seem self-evident, does add support to the potential value of using of customer statements (i.e., testimonials) in business-to-business communications.

Purchase Intention for Company Stock and Product Hypotheses

The fourth group of hypotheses investigated the effects, if any, of media channel source on purchase intention for company stock and product. The focus of analysis was on the supplier company, not the customer company, since the positive messaging was intended to reflect favorably on the supplier through the success of its software product and the apparent satisfaction of a customer.

The hypotheses suggested that individuals would have greater intent to purchase company stock and a product if receiving information about both from an independent media

channel and independent customer spokesperson, rather than a controlled media channel and a company spokesperson. No significant differences were observed for purchase intent of the stock or product based on media channel or spokesperson. One possible explanation is that participants may have felt they did not have enough information (based on one brief article) to make such decisions or did not have the requisite background to make decisions regarding stock investments decisions or information technology purchases.

Another consideration that may have influenced the stock purchase question was the economic and financial market situation at the time the study was administered (March – May 2009). At that time, the U.S. stock market was still in the midst of an historical decline, beginning in fall 2008 and continuing into 2009. On March 9, 2009, the Standard & Poors 500 (an index of 500 U.S. stocks) hit a 12-year low in value. In this financial environment, the decision to purchase stock, even in a hypothetical test situation, may have been viewed as ill advised, regardless of the source of information.

Business Expertise-Related Hypotheses

The final group of hypotheses explored whether a person's level of business expertise was a factor in how they viewed the credibility of media channels and spokespersons. It was hypothesized that people with a low level of business expertise (i.e., less knowledge and experience) would view independent media channels as more credible than would those with a high level of business expertise. This would be the case because low-expertise individuals would rely more on the peripheral cue of the source type (i.e., the independent media channel) and those with a high level of business expertise would have the ability to assess information credibility on multiple factors, source type being just one of them (Eagly & Chaiken, 1993).

Experimental findings indicated partial support for these hypotheses. There was no

significant difference in how subjects of high- and low-levels of business expertise perceived the credibility of media channels or spokespersons. However, those with a low level of business expertise rated the credibility of media channels, in general, more favorably than did those with a high-level of business expertise. Given this distinction, there may have been something about the treatments themselves or the strength of the manipulations that led to these results. Further study using different treatments might elicit different results.

Similarly, those with a low level of business expertise rated the trustworthiness of spokespersons, in general, more highly than did those with a high-level of business expertise. Interestingly, there was no difference in how people with low- and high-levels of business expertise viewed spokesperson competence, the second factor used to measure spokesperson credibility. An explanation for this may be that those with low-level business expertise do not have the experience and skills to make an assessment of competence.

<u>Post Hoc Analysis and Differences Among Subjects</u>

A post hoc analysis that included the covariate, high-low media believability, seemed to show that those who don't believe the media, don't believe the media, regardless of type of spokesperson used. But for those who do believe the media, reading an article attributing an independent spokesperson makes the media even more credible.

Consequently, findings of this study contribute to refining the theoretical view that independent spokespersons are more credible than company spokespersons. This study indicated that an independent spokesperson amplifies media credibility in the view of people who already believe the media.

The post hoc analysis related to gender showed that some types of media (newspapers, financial message boards, advertorials and customer testimonial on company message boards)

quoting an independent spokesperson can make women view media as more credible. In addition, women see media as more credible than do men in newspaper articles, advertorials and customer testimonials quoting a corporate spokesperson.

In comparison, men see media as less credible when reading press releases quoting either an independent or company spokesperson and in newspapers quoting a company spokesperson. Women also see media as less credible in press releases quoting company spokespersons.

Women, in general, tend to see media as more credible when quoting independent spokespersons while independent spokespersons increase media credibility for men in newspapers and customer testimonials. However, for both sexes media credibility is always negatively affected by press releases and when corporate spokespersons are quoted in newspapers.

Including photos of spokespersons with independent research articles posted online had an interesting gender effect. For women, including a photo of either an independent or corporate spokesperson in research articles enhanced media credibility compared with press releases while for men in the same condition, the photo of the spokesperson had no effect. Both men and women found media more credible in research articles quoting an independent spokesperson not pictured compared with press releases while research articles quoting corporate spokespersons without a photo had no effect. The credibility enhancement effect of the photograph for women compared to men, may indicate that women perceive greater credibility when making a personal connection with a spokesperson.

In terms of race, compared to whites, non-whites find media more credible when an independent spokesperson rather than a company spokesperson is quoted. Whites don't see any

difference in competency of independent or company spokespersons; whereas, non-whites see company spokespersons as less competent.

Understanding the effects of racial affiliation on perceptions of media and spokesperson credibility is a complex subject. The greater perception of trust for independent spokespersons by non-whites could be a reflection of non-whites' historically demonstrated distrust of "the man," or authority figures in society. In-depth analysis of the racial issues behind such attitudes is beyond the scope of this research, but could merit further investigation in future studies.

Looking at education level, undergraduate students found the treatment material more credible than did graduate students. Also, undergraduate students viewed spokespersons as more trustworthy than the graduate students did. This may indicate that people who have not completed an undergraduate education may view information and the media with a less critical eye than those who have completed an undergraduate degree. The greater amount of education and possibly the experiences of graduate-level students may also have contributed to this difference. Another consideration is that undergraduates typically are younger than graduate students, so that, indirectly, age may have been a factor in the different levels of perceived credibility and spokesperson trust and competence.

This study also sought to gain insight into the media usage habits of study participants. Participants reporting that local newspaper readership was virtually nonexistent and online newspapers were the key source of information reinforced showing declining daily newspaper readership in the United States were echoed in the results of this study. A 2008 survey conducted by the Pew Research Center (Pew Research Center for the People & the Press, 2008) reported that well over half (66%) of respondents had not read a newspaper the previous day. In the present study, when asked how many days a week they read a newspaper, 43% ($N = 217$) of

the subjects said they never read a local daily newspaper and another 19% ($N = 98$) only read a

local newspaper once a week. Just 3% ($N = 16$) said they read a local newspaper every day.

Readership of national newspapers, such as the *New York Times* and *Wall Street Journal*, was

somewhat higher than local dailies. Twelve percent ($N = 60$) said they read a national newspaper

every day, however, half (52%, $N = 263$) said they read a national daily two times or less a week.

Greater reliance on online newspapers was evident; 20% ($N = 103$) of subjects said they

view an online newspaper every day. Another 31% ($N = 157$) read an online newspaper 4-to-6

days a week. In a 2009 survey conducted by the Pew Research Center (Pew Research Center for

the People & the Press, 2009), 42% of respondents said they obtain most national and

international news from online media.

<div align="center">Limitations of the Study</div>

Reliability and Credibility

Reliability is the degree to which individuals' scores measured in an experiment or test

situation remain relatively constant to yield consistent results over repeated administration of the

same test or alternate forms (Crocker & Algina, 1986; Wimmer & Dominick, 2003). Methods of

assessing reliability include computing a coefficient of precision with test − retest techniques, a

coefficient of equivalence with alternate forms, or a coefficient of stability with split halves.

When the primary goal is to estimate the coefficient of precision from a set of real test scores

from a single administration, then computing a coefficient of internal consistency is appropriate.

The latter approach was used to explore the dependent variable in this study, with Cronbach's

alpha as the test statistic. The reliability of the variables used in data analysis ranged from

moderate (.78) to strong (.85). (Three variables were omitted from statistical testing due to low

alphas of .44, .53 and .53, respectively). The reliability alphas of the dependent variables used in

the present study were comparable to those in earlier research, ranging from .83 to .92 (Gaziano

& McGrath, 1986; Newhagen & Nass, 1989; Rimmer & Weaver, 1987).

Internal and External Validity

Overall, validity is attained when a measuring instrument measures what it is intended to

measure (Wimmer & Dominick, 2003). To support inferences drawn from test scores,

researchers must have a valid rationale for selecting the specific measures used (Messick, 1981).

Together, reliability and validity of test scores provide the needed justification (Crocker &

Algina, 1986). Three major types of validity are content validity, criterion-related validity and

construct validity.

Content validity reflects whether the test items of an experiment are representative of a

construct of particular interest or performance domain, and makes it possible to draw inferences

to larger domains of items similar to those on the test itself (Crocker & Algina, 1986). One way

to assess content validity is to submit the measure to the scrutiny of experts in the field. In this

study, the scales developed for the dependent variables were either drawn from relevant research

literature or were scales used in tests with similar dependent variables. The experimental

treatments were based on an actual case study involving a real company and one of its

customers. The individual manipulations were modeled after actual Web sites and created by a

professional Web site design firm. The manipulations were reviewed by professionals in the

field and pretested with participants in a pilot study.

Criterion-related validity is generally used in conjunction with assessing test scores and

an outcome, such as another test score or a rating. There are two types of criterion-related

validity. Predictive validity relates to a test's ability to predict future performance of those

participating in the test. Concurrent validity refers to test's agreement with an existing related

measure (Crocker & Algina, 1986; Sattler, 1992). Criterion-related validity is not of particular concern in this study.

Construct validity is related to the degree to which a test accurately measures a construct or trait under study (Crocker & Algina, 1986). In this study, the scales developed for the dependent variables were either drawn from relevant research literature or were scales used in tests with similar dependent variables.

However, it is reasonable to question whether the media channel treatments were rendered as strongly as possible to ensure full understanding and differentiation by study participants. The treatments used were highly realistic and closely based on actual Web sites. Yet, perhaps stronger differentiation could have been achieved. For example, in the pre-manipulation assessment of media believability, approximately 24% of participants appeared to either not know what an advertorial was or had no opinion on its believability. (The word "advertisement" was included in the advertorial treatment in the experiment and in the manipulation check in the survey.)

Although the manipulation check results indicated participants recognized and identified the respective treatments they received, that awareness level may have diminished as they progressed through the questionnaire. It might have been helpful to provide more vigorous differentiation among the treatment types. In addition, the experimental treatments included only three types of independent and three types of controlled media channels. Many other types of media channels could be used to assess audiences' perceived credibility and test for any indication of an implied third-party endorsement effect.

The subject matter covered in the treatments, while based on a real company, its software product and one of its customers, was of mixed interest to participants. Selecting a less

technically oriented business subject may have achieved a higher level of engagement and involvement of study participants, thereby producing different results (Eagley & Chaiken, 1993; Petty & Cacioppo, 1984).

Also related to engagement, the experimental design positioned questions regarding purchase intent of company stock and the software product after exposure to the treatment and questions on perceived credibility of the media channel material and spokesperson. If participants had been told upfront that they would be asked to make business decisions and recommendation based on the information received, they may have had a higher level of involvement with the subject matter. A future study might include "involvement" as a variable, with some participants being given information upfront to simulate a high-involvement situation and others receiving not receiving this information.

Another consideration may be the overall strength of the core message in the treatments: the direct and implied endorsement of the product-supplier company, PMG, Inc., and its software product. The treatment tone was unambiguously positive toward the product-supplier company and its software product. (Copy in all treatments was the same, except for the spokesperson's designation of an executive of either the product-supplier company or the product customer.) However, the strength of the positive message could possibly have been intensified and amplified in the article headline and copy to ensure clear audience awareness and understanding prior to testing of attitudinal and behavioral effects (purchase intent for company stock and the software product).

The framework of this study involved treatments that were called "media channels." Each of these media channels was a combination of a type of communication common to news media, the Internet or public relations, plus a communication vehicle that carried or hosted the

presentation format. Specifically, the formats and their associated communication vehicles were, a *newspaper article* on a publication Web site, a *research article* on an organization Web site, a *message posting* on an online financial message board, a *press release* posted on a company Web site, an *advertorial* (which is designated online as a sponsored article) on a Web site, and a *customer testimonial posting* on a company message board.

On one hand, this presentation had the advantages of being realistic and familiar in the realms of both public relations and business. Also, research literature on source credibility recognizes that audiences often blur the distinction between the various components of the communication model. People often view the communication, or media, channel as the source of the information they receive (Chafee, 1982). Therefore, the packaged presentation used in this study is not completely without basis. That said, the effects of specific formats (newspaper article, research article, message board posting, press release, advertorial and customer testimonial) are difficult to distinguish from the vehicles (independent Web sites and message board, company-controlled press release, advertorial and message board). Consequently, distinguishing the actual triggers of audience reaction to the treatments is complex.

Another potential limitation was the experimental setting itself, an inherent issue with any experimental design. Knowing they were participating in a research study may have influenced how people responded. The use of a pretest believability measure, though general in nature, may have signaled to participants the intended direction of the study and affected later responses.

It also must be noted that this study intentionally focused on business people as an audience, therefore, caution should be exercised in any attempt to generalize these findings to a broader, more general, audience or to another specific type of audience. While subjects were

randomly assigned to the treatment conditions, the nominal-level variable for age was not evenly distributed across cells.

<div align="center">Conclusions and Implications for Public Relations Practitioners</div>

The implied third-party endorsement effect remains a somewhat elusive "holy grail" of public relations practitioners and scholars. This study showed some support for the implied third-party endorsement effect of a newspaper article, research articles published online and a financial message board in relation to a press release posted on a company Web site. Yet, the strength of the findings is tempered by the relatively small differences in perceived credibility levels among both the independent and controlled media channels represented in the study. Nevertheless, communicating messages via media that go through an editorial process of review and selection of content continues to be a valuable public relations practice.

Another instructive conclusion comes from the credibility levels of two controlled media channels, advertorial online and message board on a company Web site, which were comparable to the independent media channels. Public relations practitioners may want to consider using online advertorials or sponsored articles in their communication plans, a practice that might not be used frequently in traditional types of media. Also, a message board placed on a company Web site can be another comparatively credible tool to connect with audiences and convey company information.

Public relations practitioners may want to carefully consider the whether they use labels such as "press release" or "news release" on documents. The possible negative connotation of these terms to an audience may diminish the perceived credibility of the information being transmitted. Identification as "news announcement" or simply "news" may be an alternative approach in both paper- and online-versions of news announcements. This may be especially

helpful when such materials are made available to the general public in addition to news media. The low credibility rating of the press release treatment and the low believability rating of press releases, in general, suggest that this designation could negatively impact audience receptivity to the message.

The long-time role of public relations to pitch and secure story placements in independent media channels such as newspapers, magazines and trade journals is likely to continue based on the perceived value of these stories by PR practitioners, their clients and business people. However, there appears to be additional opportunities to convey information to audiences using controlled communication vehicles such as sponsored articles and message boards.

Despite mixed results of academic experimental studies, the commonly held belief in implied third-party endorsement effects of media may well be merited. However, perhaps the definition of "media" needs to be reconsidered beyond "news media" when analyzing endorsement effect. In today's communication landscape, more media formats and forums exist, and many may offer an implied an endorsement effect to different audiences. The "a-ha" realization may be that the endorsement effect actually comes from multiple media types, not just the news media. Consequently, a multifaceted approach to communication may, ultimately, produce the most successful and effective results for public relations professionals and their clients. Rather than limiting or diminishing the role and value of public relations, this expanded idea of third-party endorsement may require practitioners to develop new, more sophisticated communication strategies using a variety of media channels.

Additionally, these findings suggest that public relations practitioners carefully consider their audiences and choice of media when developing communications strategies and plans. In this study, gender and race made a difference in perceived credibility of some media channels

and perceived trust and competence of independent and company spokespersons. As the number of non-whites in the United States continues to grow, considerations related to race and multicultural aspects of communication may become increasingly important. In sum, targeting communications using the right media and most appropriate spokesperson based on audience can make a difference in how effectively an audience receives and acts upon a message.

<div align="center">Future Research</div>

The present research is offered as further step toward understanding the complex interplay among media, messaging and audience perception of credibility in the Internet age. The implied third-party endorsement effect was explored through the perspective of business-to-business communication involving an audience of businesspeople. This study examined multiple types of independent and controlled media channels in an online environment, as well as the impact of independent and company spokespersons. Future research could use the model presented here as a departure point for further investigation based different types of media channels, audiences and messages. In addition to future study suggested earlier, several specific research directions are offered in this section.

The concept of high- and low-involvement of an audience in the message being conveyed could be delved into more vigorously, using the theoretical framework of the heuristic systematic model (Chaiken, 1980) and the elaboration likelihood model (Petty & Cacioppo, 1979). One way to accomplish this might be to use involvement as a variable and simulate this condition in an experiment by assigning a decision-making task to some participants prior to their exposure to the treatment.

Results of the experimental component of the study were mixed on the presence and effect of media channel and perceived credibility, an outcome similar to earlier research on this

topic. However, when asked about the implied third-party effect of media, public relations practitioners and businesspeople interviewed in the qualitative component of this research acknowledged that it exists in their eyes, but even more so in the eyes of the general public. This suggests another line of research using the third-person effect as the theoretical foundation.

Another extension of this research could involve the "sleeper effect," exploring whether people's views about perceived credibility of media channels and spokespersons would change over a period of time. The sleeper effect suggests that people might see media channels and spokesperson as more credible as time passes from their exposure to the treatment material.

Building on the present study's finding that people rate "press releases" lower in credibility than other media channels, further research could probe the comparative effects of using different terms, such as news release, news announcement or news, on perception of information credibility. A content analysis study of the usage of the term "press release" and other similar terms might also add to the understanding of public attitudes toward different forms of communication commonly used by public relations practitioners.

An additional area of future research suggested by this study entails the potential impact of photographs of spokespersons on perceived credibility of them. This study made only a limited effort to examine the role of personalization of a message through the use of a spokesperson's picture. A far more in-depth analysis could be done to better understand the effects of photographs accompanying articles and other ways to personalize messages online.

Another dimension of study could examine perceived credibility of different types of celebrity spokespersons by the general public today. While this is not an entirely new area of study, the growing use of major celebrities and not-so-major celebrities to represent a wide range of organizations and products in the context of today's media environment could merit revisiting.

Celebrity use of social media such as Facebook, Twitter and blogs offers a new context for examining the third-party impact of well-known public figures.

Under balance theory (Heider, 1846), an individual's attitude about a particular subject is influenced by that person's attitude toward, or opinion of, the source of information on that subject (Eveland, 2002). This premise underlies the belief that celebrity endorsements can influence public attitudes toward the object of endorsement. If people have a favorable opinion of a "celebrity" who is portrayed in advertisements or other public forums as endorsing a particular product, candidate, social cause or organization, that positive view will transfer to their attitude about the object of endorsement.

As the face of mass communication takes on an increasingly digital cast, future public relations research needs to go beyond boundaries of traditional media and consider alternative ways that people receive and assimilate news and information. In the often-anonymous and ephemeral world of cyber communication, the importance of source credibility will only rise for both creators and users of information.

Users of information obtained online will be making decisions and selecting information from a burgeoning array of potential sources. The attribute of credibility, could well become a more important point of differentiation when choosing from among multiple sources of information. While digital communication has created new paths for information to flow from senders to receivers, the most basic model of communication, sender – message – channel – receiver, will continue to intrigue public relations practitioners and scholars seeking to understand how audiences evaluate the accuracy, believability and acceptability of information coming from both independent and controlled sources.

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APPENDICES

APPENDIX A

<u>Interview Guide</u>

Interview Guide for PR Practitioners/Business People
Implied Third-Party Endorsement Effect of Media

RECRUITMENT SCRIPT FOR PHONE CALL/E-MAIL MESSAGE:

Hello, my name is Polly Howes, and I am a University of Georgia doctoral student. I am conducting research to learn more about the how public relations practitioners/business professionals perceive the value and credibility of different forms of media. I am interested in what media are used by the two groups as a source of information, how they perceive the credibility of various media sources and spokespersons, and how they select the media channels and communication formats used to convey information to their audiences. The interview will last approximately 30 minutes. Would you be willing to discuss these issues? (If phone call and response is yes) Is now a good time or should we make an appointment to speak at a more convenient time? (If e-mail) I would be happy to schedule a convenient time for us to talk.

CONSENT STATEMENT:

I am required to read you the following information since this is a research project conducted under the supervision of Dr. Lynne Sallot at the University of Georgia. With your permission, I am going to tape record our conversation. (Turn on recorder.) The tape recorder is running now. Please state your name. Do I have permission to record our conversation?

(Read the following informed consent.)

My name is Polly Howes, and I am a University of Georgia doctoral student. I am conducting research to learn more about how public relations practitioners/business professionals perceive the value and credibility of different forms of media. I am interested in what media are used by the two groups as a source of information, how they perceive the credibility of various media sources and spokespersons, and how they select the media channels and communication formats used to convey information to their audiences.

By participating in this interview you will have an opportunity to convey your views on a subject of general interest to public relations practitioners and businesspeople and contribute to better understanding of corporate communication. You also may receive a summary of research results when the study is completed.

By consenting to participate in this research, you are confirming that you are at least 18 years old. You understand that:

A. Your participation is entirely voluntary, and you may refuse to participate or end your participation at any time prior to the completion of the study without any penalty or loss of benefits to which you are otherwise entitled. If you find a question offensive or inappropriate, you understand that you may cease participation without consequence. You understand that there is no anticipated risk or discomfort to respondents.

B. You understand that any information you give will be reported in a way that does not identify you or any specific participants. Interview tapes will be stored securely and will be made available only to the principal investigator, co-investigator and tape transcriber, under direction of the investigators.

The tapes will not be publicly disseminated; they will be destroyed after transcription is completed. Identifiable information will be removed from all transcripts.

C. You understand that the researcher is available to answer any questions you may have regarding the study or your participation later on. If you have questions in the future, you may reach Dr. Lynne Sallot at 706-542-4999 or by e-mail at sallot@uga.edu. If you have questions or concerns about your rights as a research participant, you may contact the Chairperson at the University of Georgia Institutional Review Board at 706-542-3199 or by e-mail irb@uga.edu.

May I proceed with the interview?

QUESTIONS

1. a. There is a belief by some that news or information that comes from an independent third-party source (such as a newspaper article, independent Web site, independent blog) is more credible than news or information that comes from a controlled, or sponsored, source (such as a paid advertisement, company-sponsored Web site, company-sponsored blog). In general, do you agree or disagree with this idea? Please explain your response.

    b. How do you think businesspeople, in general, view news coming from these two different types of sources?

    c. How do you think the public, in general, views news coming from these two different types of sources?

2. a. How credible do you, personally, find quotations from company representatives (management) serving as spokespersons in articles that you read in a newspaper article?

b. How credible do you think businesspeople, in general, view the quotations from company representatives?

c. How credible do you think the public, in general, views the quotations from company representatives?

3. a. How credible do you, personally, find customer testimonials (that is, positive customer comments about a company's products or services) in articles that you read in a news article?

b. How credible do you think businesspeople, in general, view customer testimonials?

c. How credible do think the public, in general, views customer testimonials?

4. Have you ever used information you gained from the news media (all types) in your daily work? Please explain; provide an example of information and how it is used.

5. What specific media do you use most often as a source for general news and information? Why?

6. What specific media do you use most often as a source for business-related news and information? Why?

PUBLIC RELATIONS PROFESSIONALS ADDITIONALLY WILL BE ASKED Q.7 and Q.8. INTERVIEWS WITH BUSINESSPEOPLE WILL PROCEED TO Q. 9

7. Do your business clients/business colleagues perceive greater value when news about their organization appears in a print or broadcast news story than in a paid advertisement or other controlled medium, such as a company Web site or brochure? Please explain your response or provide examples.

8. Do you consider the credibility of a media channel (i.e., newspaper, magazine, television, Web site) when assessing the placement of news and information about your organization (or organization that you represent)?

9. Next, as I name some different forms of media, please rate how much you think you can believe news and information provided through each, on a scale of 1 to 5. On this five point scale, "1" means you can believe all or most of what the organization says, and "5" means you believe almost nothing of what they say. If you don't know or have no opinion, please say so.

	Believe				**Cannot Believe**	
	1	**2**	**3**	**4**	**5**	**Don't Know/No Opinion**
Newspapers	1	2	3	4	5	Don't Know/No Opinion
Television News	1	2	3	4	5	Don't Know/No Opinion
Radio News	1	2	3	4	5	Don't Know/No Opinion
Newspaper Web Sites	1	2	3	4	5	Don't Know/No Opinion
Newspaper Advertisements	1	2	3	4	5	Don't Know/No Opinion
Online Blogs	1	2	3	4	5	Don't Know/No Opinion
Online Message Boards	1	2	3	4	5	Don't Know/No Opinion
Company Annual Reports	1	2	3	4	5	Don't Know/No Opinion
Television Advertisements	1	2	3	4	5	Don't Know/No Opinion
Company Brochures	1	2	3	4	5	Don't Know/No Opinion
Business Magazines	1	2	3	4	5	Don't Know/No Opinion
Trade Publications Or Professional Journals	1	2	3	4	5	Don't Know/No Opinion
Company Web sites	1	2	3	4	5	Don't Know/No Opinion
Company Blog	1	2	3	4	5	Don't Know/No Opinion

10. Now I'm going to name some media organizations. Please rate how much you think you can believe news and information provided through each, on a scale of 1 to 5. On this five-point scale, "1" means you can believe all or most of what the

organization says, and "5" means you believe almost nothing of what they say. If you don't know or have no opinion, please say so.

	Believe				Cannot Believe	
	1	**2**	**3**	**4**	**5**	**Don't Know/No Opinion**
USA Today	1	2	3	4	5	Don't Know/No Opinion
ABC News	1	2	3	4	5	Don't Know/No Opinion
Wall Street Journal	1	2	3	4	5	Don't Know/No Opinion
Your local daily newspaper	1	2	3	4	5	Don't Know/No Opinion
Associated Press	1	2	3	4	5	Don't Know/No Opinion
CNN	1	2	3	4	5	Don't Know/No Opinion
NBC News	1	2	3	4	5	Don't Know/No Opinion
CBS News	1	2	3	4	5	Don't Know/No Opinion
Fortune Magazine	1	2	3	4	5	Don't Know/No Opinion
Business Week Magazine	1	2	3	4	5	Don't Know/No Opinion
CNBC	1	2	3	4	5	Don't Know/No Opinion
Fox News	1	2	3	4	5	Don't Know/No Opinion
PBS News	1	2	3	4	5	Don't Know/No Opinion
Investors' Business Daily	1	2	3	4	5	Don't Know/No Opinion
National Public Radio	1	2	3	4	5	Don't Know/No Opinion
National Enquirer	1	2	3	4	5	Don't Know/No Opinion
Economist	1	2	3	4	5	Don't Know/No Opinion
New York Times	1	2	3	4	5	Don't Know/No Opinion
Bloomberg Wire Service	1	2	3	4	5	Don't Know/No Opinion

Dow Jones News Service	1	2	3	4	5	Don't Know/No Opinion
ESPN	1	2	3	4	5	Don't Know/No Opinion

We're almost done. I just need to gather a little information about you. And again, this interview is confidential.

12. How many years of have you worked in PR / business?
_____

13. Gender: Male   Female

14. What level of education have you completed (circle one)?

High School   BA/BS degree   MA/MS/MBA degree   JD   Ph.D.

15. Is your employer a (circle one) IF KNOWN, DO NOT ASK, JUST RECORD:

      Non-profit   PR agency   Government agency
      University   For-profit company
      Other_____

16. Current work title: _____

17. Approximate number of employees in your organization: _____

18. E-mail address if interviewee wishes copy of findings: _____

Thank you for participating in our study and sharing your experience and insights. Your contribution is very valuable and important to us.

Interviewer Name: _____

Date/Time of Interview: _____

Interviewee Name & Organization:

_____

_____

Length of Interview: _____

2/26/09

APPENDIX B

Informed Consent Forms

INFORMED CONSENT FORM

I agree to take part in a research study on business communication, which is being conducted by Pauline A. Howes, Advertising and Public Relations Department, Grady College of Journalism and Mass Communication, University of Georgia (404-869-0195) under the direction of Dr. Lynne Sallot, Advertising and Public Relations Department, Grady College of Journalism and Mass Communication, University of Georgia (706-542-4999. My participation is voluntary; I can refuse to participate or stop taking part at any time without giving any reason, and without penalty or loss of benefits to which I am otherwise entitled. I can ask to have information related to me that can be identified as mine returned to me, removed from the research records, or destroyed. I am 18 years old or older.

This study is to add to the understanding of business communication and will contribute to broader societal knowledge used by scholars and business professionals related to public relations, media relations, and business-to-business communication. By taking part in this study, participants will benefit from gaining experience in and knowledge of the academic research process, as well as insight into business communication. Participants in this study will receive extra credit for this course. Information on other options for extra credit are available from the instructor of the class in which the questionnaire in completed.

No discomforts or stresses are expected, nor are any risks expected. Participation in this study will take approximately 15 minutes and involve reading provided materials and completing a questionnaire. To make this study a valid one, some information regarding my participation will be withheld until completion of the study.

Information obtained through this study will not be identifiable with any individual participants. The informed consent form for participation in this study is distributed and collected separately from administration of the study materials. The identity of participants will be kept confidential by the researcher and only disclosed for recording of course extra credit. Consent documents will be destroyed by the researcher three years after the conclusion of the study.

The researcher will answer any further questions about the research, now or during the course of the project, and can be reached by telephone at: 404-869-0195.

My signature below indicates that the researchers have answered all of my questions to my satisfaction and that I consent to volunteer for this study. I have been given a copy of this form.

Pauline A. Howes   _____   _____
404-869-0195, phowes@uga.ed u   *(Signature)*   *(Date)*
(*Researcher*)

_____   _____   _____
(Name of Participant)   *(Signature)*   *(Date)*
Please sign both copies, keep one and return one to the researcher. Additional questions or problems regarding your rights as a research participant should be addressed to The Chairperson, Institutional Review. Board, University of Georgia, 612 Boyd Graduate Studies Research Center, Athens, Georgia 30602-7411; Telephone (706) 542-3199; E-Mail Address IRB@uga.edu

INFORMED CONSENT FORM

I agree to take part in a research study on business communication, which is being conducted by Pauline A. Howes, Advertising and Public Relations Department, Grady College of Journalism and Mass Communication, University of Georgia (404-869-0195) under the direction of Dr. Lynne Sallot, Advertising and Public Relations Department, Grady College of Journalism and Mass Communication, University of Georgia (706-542-4999. My participation is voluntary; I can refuse to participate or stop taking part at any time without giving any reason, and without penalty or loss of benefits to which I am otherwise entitled. I can ask to have information related to me that can be identified as mine returned to me, removed from the research records, or destroyed. I am 18 years old or older.

This study is to add to the understanding of business communication and will contribute to broader societal knowledge used by scholars and business professionals related to public relations, media relations, and business-to-business communication. By taking part in this study, participants will benefit from gaining experience in and knowledge of the academic research process, as well as insight into business communication. Participants in this study will receive a small gift in exchange for their involvement.

No discomforts or stresses are expected, nor are any risks expected. Participation in this study will take approximately 15 minutes and involve reading provided materials and completing a questionnaire. To make this study a valid one, some information regarding my participation will be withheld until completion of the study.

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404-869-0195, phowes@uga.edu   *(Signature)*   *(Date)*
(*Researcher*)

_____   _____   _____
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APPENDIX C

Questionnaire

Instructions: Thank you for participating in this study. Please fill out the following two-part questionnaire: a brief one beginning on this page and a longer one after reading some material that you will be provided. Please read the questions carefully and answer them to the best of your ability. If you have any questions or need assistance, please ask the questionnaire administrator.

Please respond the following questions by circling the number on the scale that most accurately describes you.

For example, on the first question, the number 1 indicates a very strong feeling for the term "none" and 7 indicates a very strong feeling for the term "a great deal." 2 and 6 indicate a strong feeling. Numbers 3 and 5 indicate a moderate feeling, and 4 indicates you are undecided or do not understand the adjectives themselves. [Numbers on side of page are for coding purposes only.]

1. How much experience do you have working as a business manager?

     none   1   2   3   4   5   6   7   a great deal of

2. How qualified are you today to hold a senior manager job in a corporation?

     not yet   1   2   3   4   5   6   7   extremely
     qualified   well qualified

3. What level of experience do you have in making business decisions?

     none   1   2   3   4   5   6   7   a great deal of

4. In general, I believe that a senior executive would consider business recommendations I would make to be _____ naïve and inexperienced.

     not at all   1   2   3   4   5   6   7   somewhat

5. Circle the number of years have you studied business at the college/university level, rounding up partial years. (Include both undergraduate and graduate studies)

0   1yr.   2 yrs.   3 yrs.   4 yrs.   5 yrs.   6yrs.   7+yrs.

6. Circle the total number of years of experience you have in your professional career, rounding up partial years. *Do not include part-time or full-time jobs **unrelated** to your professional career.*

- *Full-time Business Experience:*

0   1yr.   2 yrs.   3 yrs.   4 yrs.   5 yrs.   6yrs.   7+yrs.

- *Internship/Part-Time Experience:*

0   1yr.   2 yrs.   3 yrs.   4 yrs.   5 yrs.   6yrs.   7+yrs.

7. What is your grade average for business courses that you've taken in your current
    academic program?

    Estimated grade average: _____
    (If numerical grades are not used, use average of relevant grading scale.)

8. **Following is a list of different types of media. Please circle the responses that best describe how much you think you can believe or not believe news and information provided by each.**

    On this scale, "1" means you can believe all or most of what the organization says, and "5" means you believe almost nothing of what they say. If you don't know or have no opinion, please indicate.

Opinion	Believe				Cannot Believe	Don't Know/No
	1	2	3	4	5	6
Newspapers	1	2	3	4	5	DK/NO
Television News	1	2	3	4	5	DK/NO
Radio News	1	2	3	4	5	DK/NO
Newspaper Web Sites	1	2	3	4	5	DK/NO
Newspaper Advertisements	1	2	3	4	5	DK/NO
Online Blogs	1	2	3	4	5	DK/NO
Online Message Boards	1	2	3	4	5	DK/NO
Company Annual Reports	1	2	3	4	5	DK/NO
Television Advertisements	1	2	3	4	5	DK/NO
Research Group Web Sites	1	2	3	4	5	DK/NO
Company Message Boards	1	2	3	4	5	DK/NO
Business Magazines	1	2	3	4	5	DK/NO
Trade Publications	1	2	3	4	5	DK/NO
Company Web Sites	1	2	3	4	5	DK/NO

Company Blogs	1	2	3	4	5	DK/NO
Advertorial	1	2	3	4	5	DK/NO
News Releases	1	2	3	4	5	DK/NO

Now, turn the page and read the material that you see. After reading the material, you will be asked to answer a series of questions.

Please take note the <u>source of the material</u> stated at the top of the page.

NOTE: ARTICLE TEXT ONLY – DOES NOT DEPICT GRAPHIC LAYOUT OF TREATMENT.

Following is copy used to create individual experimental treatments to reflect different media formats and quotation attributions. Actual samples depicting different media channel formats are in Appendix D.

Rail Express stays on fast track to efficiency with PMG software

"Doing more with less" is the mantra increasingly heard as companies deal with tough economic times by looking for ways to cut expenses. The answer for some, though, is to invest now in their business infrastructure.

Rail Express, Inc., a provider of railcars and related freight car management services to the North American rail industry, is one company following that strategy. The company is investing in new software to help reduce costs, improve service quality and gain efficiency in management operations.

Always operating a tight ship, Rail Express executives sought a way to further simplify routine business functions and work more efficiently. They turned to PMG, a market leader in software systems that streamline routine in-house business processes. The firm markets iService, a system for centralizing and processing requests for various support services within organizations.

Now, instead of playing "phone-tag" or "e-mail tag" with support staff, employees can quickly place orders for new computers, new phones, loaner laptops and software through the streamlined iService network. Requests for office needs such as copying, printing, shipping and even facility maintenance go through an automated system that delivers quick attention and response.

"Since implementing PMG's iService software, Rail Express has realized a 50 percent reduction in service staff needs and eliminated many of the activities performed by help desk personnel,"

said Chris Hudson, president of PMG. [OR CUSTOMER TESTIMONIAL … said Chris Hudson, manager of the IT service team for Rail Express] "The result has been more efficient operations, internally, and better quality service for customers, externally."

#

9. **Circle the item that best describes what you just read:**

    1-Newspaper Article - Online

    2-Independent Research Article - Online

    3-Financial Message Board Posting

    4-Press Release - PMG Web Site

    5-Advertorial (advertisement) - Online

    6-Customer Testimonial - PMG Message Board

    7-Other (please describe:_____)

10a. **Circle the item that best describes the person *quoted* in what you just read:**

    1-Chris Hudson, PMG Vice President

    2-Chris Hudson, Rail Express Vice President

    3-Other (please describe:_____)

10b. **Circle your response to the following question:**

Did a photograph of a person appear with the article you just read?   1-Yes   2-No

11. **Thinking about what you have just read, circle the number closest to the statements that best describe your evaluation of the material. The numbers 1 and 7 indicate a very strong feeling. 2 and 6 indicate a strong feeling. Numbers 3 and 5 indicate a moderate feeling, and 4 indicates you are undecided or do not understand the adjectives themselves.**

    Please work quickly. Your first thoughts are important. There are no "right" or "wrong" answers.

Fair	1	2	3	4	5	6	7	Unfair
Biased	1	2	3	4	5	6	7	Unbiased
Tells the whole story	1	2	3	4	5	6	7	Does not tell whole story
Accurate	1	2	3	4	5	6	7	Inaccurate
Considers reader's interest	1	2	3	4	5	6	7	Not consider reader interest

Separates fact and opinion	1	2	3	4	5	6	7		Not separate fact, opinion
Can be trusted		1	2	3	4	5	6	7	Not trusted
Concerned about public interest		1	2	3	4	5	6	7	Concerned about profits
Factual		1	2	3	4	5	6	7	Opinionated
Persuasive		1	2	3	4	5	6	7	Not persuasive
Valuable		1	2	3	4	5	6	7	Worthless
Believable		1	2	3	4	5	6	7	Not believable
Not informative		1	2	3	4	5	6	7	Informative
Boring		1	2	3	4	5	6	7	Interesting

12. **On the scale below, please indicate your feelings about Chris Hudson, the person who is quoted in what you have just read.**

   Circle the number between the adjectives that best describes your feelings about this person. The numbers 1 and 7 indicate a very strong feeling. 2 and 6 indicate a strong feeling. Numbers 3 and 5 indicate a moderate feeling, and 4 indicates you are undecided or do not understand the adjectives themselves.

   Please work quickly. Your first thoughts are important. (No answers are right or wrong.)

Reliable	1	2	3	4	5	6	7	Unreliable
Unfriendly	1	2	3	4	5	6	7	Friendly
Selfish	1	2	3	4	5	6	7	Unselfish
Intelligent	1	2	3	4	5	6	7	Not intelligent
Unqualified	1	2	3	4	5	6	7	Qualified
Pleasant	1	2	3	4	5	6	7	Unpleasant
Inexpert	1	2	3	4	5	6	7	Expert
Valuable	1	2	3	4	5	6	7	Worthless
Honest	1	2	3	4	5	6	7	Dishonest
Uninformed	1	2	3	4	5	6	7	Informed
Unbiased	1	2	3	4	5	6	7	Biased
Qualified	1	2	3	4	5	6	7	Unqualified
Trustworthy	1	2	3	4	5	6	7	Not trustworthy
Confidential	1	2	3	4	5	6	7	Divulging

Exploitive	1	2	3	4	5	6	7	Generous
Deceptive	1	2	3	4	5	6	7	Candid
Sincere	1	2	3	4	5	6	7	Insincere
Considerate	1	2	3	4	5	6	7	Inconsiderate

Next, circle the numbers between the adjectives that best represent your feelings about subject indicated. The numbers 1 and 7 indicate a very strong feeling. 2 and 6 indicate a strong feeling. Numbers 3 and 5 indicate a moderate feeling, and 4 indicates you are neutral or do not understand the adjectives themselves.

13.   Please rate your attitude toward the company, PMG.

Positive	1	2	3	4	5	6	7	Negative
Unfavorable	1	2	3	4	5	6	7	Favorable
Like	1	2	3	4	5	6	7	Dislike

14.   Please rate your attitude toward the company, Rail Express.

Positive	1	2	3	4	5	6	7	Negative
Unfavorable	1	2	3	4	5	6	7	Favorable
Like	1	2	3	4	5	6	7	Dislike

15.   Please rate your attitude toward iService software.

Positive	1	2	3	4	5	6	7	Negative
Unfavorable	1	2	3	4	5	6	7	Favorable
Like	1	2	3	4	5	6	7	Dislike

Now, assume that you are in a position to purchase a software program to manage corporate administrative services for a company. Please circle the terms that best describe your level of agreement or disagreement with the following statements.

16.   I would be interested in purchasing PMG's iService software.

1	2	3	4	5
Strongly agree	Agree	Uncertain	Disagree	Strongly Disagree

17.   I would feel confident purchasing PMG's iService software.

1	2	3	4	5
Strongly agree	Agree	Uncertain	Disagree	Strongly Disagree

18. I would recommend PMG's iService software to a company looking for a software program to manage corporate administrative services.

1	2	3	4	5
Strongly agree	Agree	Uncertain	Disagree	Strongly Disagree

Now, assume you are an investor who is considering companies in which to invest your money. Please circle the terms that best describe your level of agreement or disagreement with the following statements.

19. I would be interested in purchasing shares of PMG stock.

1	2	3	4	5
Strongly agree	Agree	Uncertain	Disagree	Strongly Disagree

20. I would feel confident purchasing shares of PMG stock.

1	2	3	4	5
Strongly agree	Agree	Uncertain	Disagree	Strongly Disagree

21. I would be interested in purchasing shares of Rail Express stock.

1	2	3	4	5
Strongly agree	Agree	Uncertain	Disagree	Strongly Disagree

22. I would feel confident purchasing shares of Rail Express stock.

1	2	3	4	5
Strongly agree	Agree	Uncertain	Disagree	Strongly Disagree

Next, assume you are responding to friends or colleagues who have asked for your advice on good stocks to purchase. Please circle the terms that best describe your level of agreement or disagreement with the following statements.

23. I would recommend that people consider buying PMG stock.

1	2	3	4	5
Strongly agree	Agree	Uncertain	Disagree	Strongly Disagree

24. I would recommend that people consider buying Rail Express stock.

1	2	3	4	5
Strongly agree	Agree	Uncertain	Disagree	Strongly Disagree

25. How would you describe your current employment status? (Circle the description below that best describes your status.)

   1-Working Full Time

   2-Working Part Time

   3-Not Working

   4-Retired

   5-Other (please specify:_____)

26. **Before today**, how well did you know the software firm, PMG? (Circle the number along this range that best corresponds to your response.)

   Not At All   1   2   3   4   5   6   7   Very Well

_____

Debriefing Statement

Thank you for participating in this study. To protect the scientific integrity of this research, please do not discuss your experimental session with others who may participate in a later session.

This study examines how business audiences perceive the credibility of information conveyed through different media and by different sources. PMG is a software company based in Atlanta. Rail Express is a pseudonym for an actual client of PMG. Chris Hudson is a pseudonym used to represent the person quoted in the material provided.

This research is being conducted as partial fulfillment of the requirements for a Ph.D. in mass communication from the University of Georgia. Once again, thank you for your time.

Pauline A. Howes
Ph.D. Candidate
University of Georgia

APPENDIX D

Treatments

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PMG software puts Rail Express
On fast track to greater efficiency

Cuts costs 30 percent, says PMG VP Hudson

"Doing more with less" is the mantra heard as companies deal with tough economic times by looking for ways to cut expenses. The answer for some, though, is to invest now in cost-saving software.

Rail Express, Inc., a provider of railcars and freight-management services to the North American rail industry, is one company following that strategy. The company has invested in new software from PMG, Inc. to help reduce costs, improve service quality and gain efficiency.

PMG is an industry leader in software systems that streamline in-house business processes. The firm markets iService, an award-winning online system for processing requests for various administrative services.

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"Since implementing the iService network, Rail Express has reduced staff expenses by 30 percent and cut service response time nearly 50 percent," Hudson says. "The use of PMG's software has resulted in both more efficient operations and better service."

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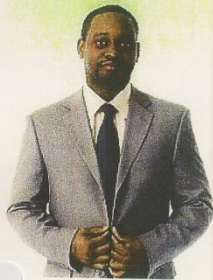
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