

# Does a 360-Degree Video Ad Backfire? Exploring the Effects of Ad Format, Narrative Structure, and Need for Cognition on Product Intentions

## INTRODUCTION

- ❖ Many video ads nowadays have adopted the 360-degree format or the VR mode to present its content.
- ❖ A recent report showed the 360-degree video had 85 percent of video completion rate compared with the regular video which had only 58 percent of video completion rate (Omnivirt, 2018).
- ❖ Previous research has examined the joint effects of 360-degree video ad and narrative structure on ad and brand attitude (Feng, 2018; Feng, Xie, & Lou, 2019). However, the influence of the 360-degree video ad and narrative advertising on behavioral intentions toward the advertised product remains unknown.

## HYPOTHESES & RQ

**H1:** Compared with the regular video ad, the 360-degree video ad will elicit higher a) information seeking intention, b) tryout intention, and c) purchase intention.

**H2:** Compared with the regular video ad, the 360-degree video ad will elicit lower a) information seeking intention, b) tryout intention, and c) purchase intention.

**H3:** Flow will mediate the relationship between the ad format and product intentions including a) information seeking intention, b) tryout intention, and c) purchase intention.

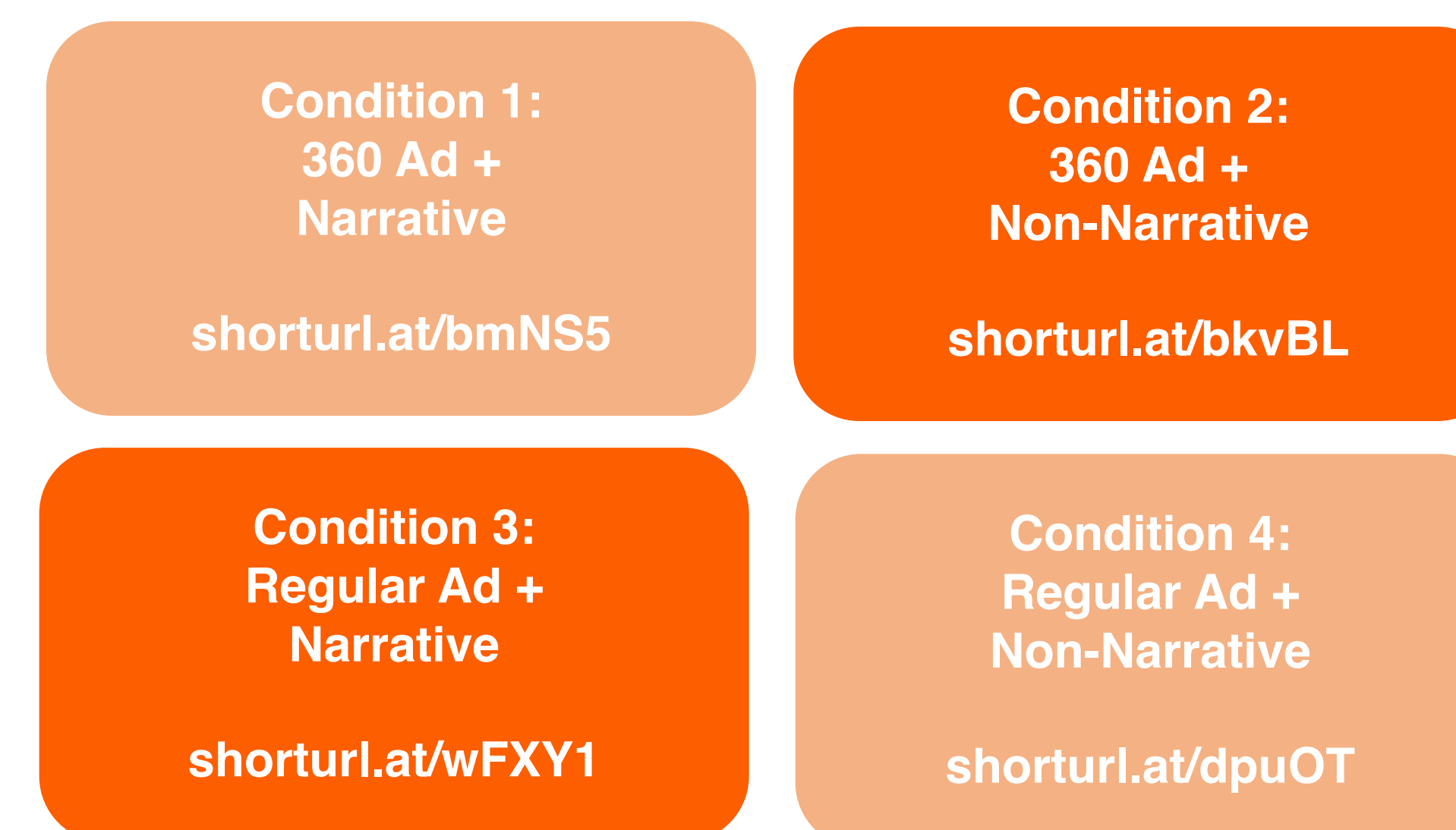
**H4:** Narrative structure will moderate the relationship between ad format and product intentions including a) information seeking intention, b) tryout intention, and c) purchase intention.

**RQ:** How do ad format, narrative structure, and need for cognition influence product intentions including a) information seeking intention, b) tryout intention, and c) purchase intention?

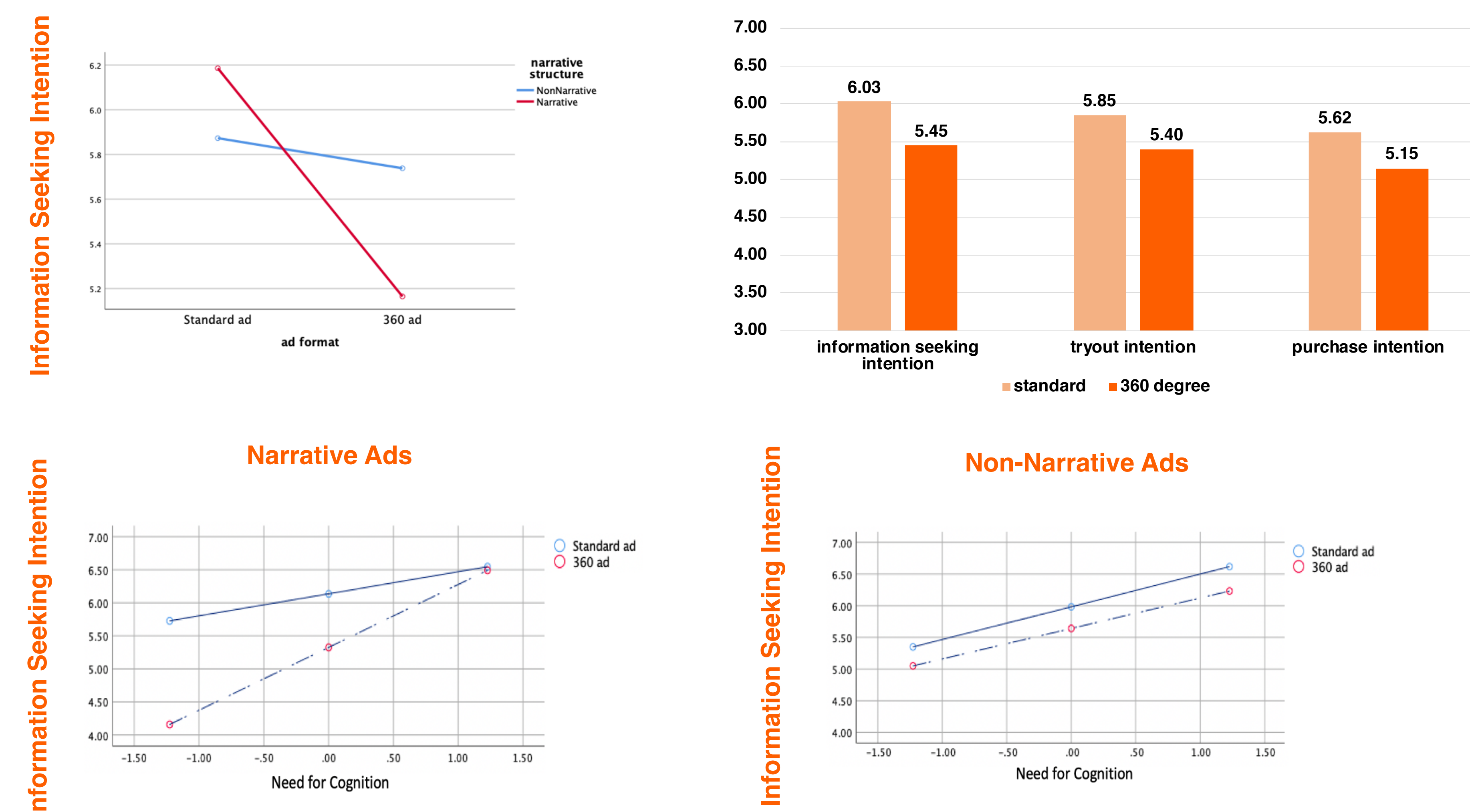
## STUDY DESIGN

- ❖ A 2 (Ad Format: 360-degree video ad vs. regular video ad) x 2 (Narrative Structure: narrative vs. non-narrative) between subject experiment ( $N=119$ )
- ❖ Age ( $M=33$  Range: 22 – 85)
- ❖ Gender (54.6% males; 45.4% females)
- ❖ Race (71.4% Whites)
- ❖ Education (52.9% Bachelor's)
- ❖ Income (37% \$50,000 to \$99,999)
- ❖ Pre-Brand Attitude ( $M=5.94$ ,  $SD=1.14$ ,  $\alpha=.89$ )
- ❖ Need for Cognition ( $M=5.25$ ,  $SD=1.23$ ,  $\alpha=.97$ )
- ❖ Flow ( $M=5.52$ ,  $SD=1.09$ ,  $\alpha=.80$ )
- ❖ Information Seeking Intention ( $M=5.76$ ,  $SD=1.51$ )
- ❖ Tryout Intention ( $M=5.65$ ,  $SD=1.41$ )
- ❖ Purchase Intention ( $M=5.40$ ,  $SD=1.55$ )

## STIMULI



## RESULTS



## DISCUSSION

- ❖ 360-degree video ads were actually less effective than ads in a traditional format in triggering behavioral intentions toward the product.
- ❖ The decreased flow state affected participants' positive experience with the product, which then translated into less favorable behavioral intentions toward the product.
- ❖ Adding a story plot to the 360-degree video ad may make the ad exposure particularly taxing for consumers.
- ❖ Need for cognition presents a boundary condition for the impact of 360-degree and narrative advertising.

