



# **Bachelor thesis**

'What influence do culture and completeness of verbal anchoring have on consumer response in the Netherlands and in Hungary regarding charity logos?'

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#### Abstract

Logos and slogans can generate a positive affect towards brands and products. Slogans can even help explaining the message of a picture, this is called verbal anchoring. Only little is known about the effects of verbal anchoring in a non-profit context. These possible effects may also differ across cultures. So, this research aimed to study the influence of culture and the completeness of verbal anchoring on consumer response in the Netherlands and in Hungary regarding charity logos. The logos of two charity organizations were used in order to measure the effects of verbal anchoring and culture. Participants saw two logos which differed in in their completeness of verbal anchoring. An online questionnaire was carried out to gather the data. This study showed that the completeness of verbal anchoring had no effect on the consumer response. Nationality did have an influence on the consumer response, Hungarian participants had a more positive attitude towards the logos and the charities than the Dutch participants. The results suggest that it is not useful to incorporate the completeness of verbal anchoring into a strategy in order to get a more positive attitude towards the organization or to get more donations. On the contrary, nationality should be taken into account when creating a logo and slogan.

Keywords: verbal anchoring, charity, consumer response, nationality, tolerance to ambiguity

## Introduction

Nowadays, logos have become increasingly important for companies (Bresciani & Del Ponte, 2017; Henderson & Cote, 1998). One of the reasons is that logos can strongly influence people's opinions about the firm's image according to Hynes (2009). Sometimes logos are accompanied by a slogan, because they can help to further explain the message of the logo (verbal anchoring) (Phillips, 2000). Barthes (1993) acknowledges this, but he states that verbal elements can also function as relay in cases in which the text is more valuable than the image. Furthermore, not all people prefer a clear message (Petty & Cacioppo, 1986). This preference for a clear, complete and explicit message or an abstract, incomplete and implicit message could even differ across cultures, since Kim and Lim (2019) described that cultures prefer distinct logo designs because of different preferences for logo elements such as colour and shapes. Therefore it could be questioned how effective a logo with verbal anchoring really is. The value of logos is mainly studied in a profit context, however little is known about non-profit organizations such as charities and its value of logos. Besides that, the effects of verbal anchoring and the possible cultural differences on consumer response remain unstudied. This paper aims to fill this gap by studying the effects of verbal anchoring and culture on consumer response regarding charity logos.

## Theoretical framework

Multiple studies already addressed the importance of a logo. Logos can function as instore recognition (Henderson & Cote, 1998), they can generate positive brand attitudes (Henderson & Cote, 1998), represent a company's core values, (Olins, 1990; Ind, 1997; Schultz & Hatch, 1997; Van Riel & Balmer, 1997; Urde, 2003), increase familiarity (Foroudi, Melewar, & Gupta, 2017), draw attention (Kim & Lim, 2019) and help a company to differentiate from its competitors (Bresciani & Del Ponte, 2017). Therefore, a company can definitely benefit from a good logo design. However, a bad logo design can lead to negative associations with the brand or the company (Henderson & Cote, 1998). Henderson and Cote (1998) found that unrecognizable or negative evaluated logos can even hurt the corporate image which is very undesirable. Therefore, it is crucial for organizations to design a favorable logo.

Most of the studies that investigated the effect of logos considered this issue in a business context which means they studied the economic advantages and disadvantages of logo designs for companies. However, less is known about the effect of logos in non-profit organizations as charities. Charity organizations rely on time and monetary donations in order to support the public benefit (Lee & Chang, 2007). Currently, charities are facing substantial challenges in order to survive; the governmental support is decreasing whereas the request for charity services is increasing (Sargeant, Lee, & Jay, 2008). Besides that, there is a global continuing tendency of people donating less money to charities (Eng Ling, 2012). Therefore, it would be very helpful to study factors that could influence people's intention to donate money and time. By discovering these factors, strategies can be developed to increase people's intention to donate.

Since logos can help conveying the company's identity (Kim & Lim, 2019) and generate positive brand associations (Henderson & Cote, 1998), it is interesting to study whether these effects also hold in a non-profit context. Foroudi, Hafeez and Foroudi (2017) found that corporate logos directly affect customers' buying behavior, a favorable logo will lead to an economic advantage. Therefore, it could be suggested that favorable logos will lead to positive associations towards the charity which could positively influence the intention to donate. Whether a corporate logo is perceived as favorable or not depends on multiple factors. According to Henderson and Cote (1998) a 'good' logo should be recognizable, it should evoke a positive affective response, it should convey a clear meaning and a it should strive to generate subjective familiarity. Foroudi et al. (2017) state that a logo consists out of four elements; the corporate name, the typeface and the design. The design characteristics of the logo determine for a large part how the logo is assessed (Henderson & Cote, 1998). Henderson and Cote (1998) developed guidelines for creating and modifying a good logo, they state that the design of a logo should be based on the goal of the logo; high recognition, low investment or high image.

However, the evaluation of a logo does not only depend on the logo itself but also on the consumers' personality. Petty and Cacioppo (1986) found that not all people prefer a message with a straightforward meaning. According to their Elaboration Likelihood Model, people differ in their preference for processing messages. The model emphasizes two processing routes; central processing and peripheral processing. Individuals who are motivated to process the message make use of a central processing route, they base their evaluation on arguments. People who follow the central processing route are more triggered by abstract messages because these messages require more effort and they are motivated to perform this effort. Individuals who are less motivated to process the message make use of a peripheral processing route, they apply simple rules when evaluating the message. People following this peripheral processing route are more attracted to a clear message because it requires less effort. This principle could also be applied to the processing of logos, this suggests that some people prefer abstract logos whereas other people prefer clear logos. Personal characteristics do not only have an impact on the logo evaluation but also on the intention to donate. Knowles, Hyde and White (2012) found that age is also a factor that influences people's intention to donate, young people (18-24) are less willing to donate than older people (45-54). So, other factors besides verbal anchoring and culture could also have an influence on consumer response.

Other elements besides the logo, that determine the corporate visual identity of an organization are the corporate name, the color palette, the font type and the slogan (Van den Bosch, De Jong, & Elving, 2006). Slogans are able to communicate a message in a literal sense (Van den Bosch, De Jong, & Elving, 2006), so they can convey a clear meaning (Kohli, Thomas, & Suri, 2013). Just as logos, slogans are also capable of differentiating a brand or organization and enhancing recognition and recall (Kohli, Suri, & Leuthesser, 2007). This is also supported by Kohli et al. (2013) who state that logos can generate positive brand

associations. But how could a strong slogan be formulated? Kohli et al. (2013) found that frequent exposure of the slogan is highly important, because that will lead to top-of-mind awareness of the brand. On the contrary, when there is no frequent exposure, the slogan should stay the same over a longer period of time to get high recall rates.

Because of the fact that slogans can convey a literal meaning, slogans could probably also help to explain the possible content that logos can convey. This phenomenon, adding words to images, is called verbal anchoring (Phillips, 2000). Phillips (2000) found that a slogan can increase the comprehension and liking of a pictorial ad when it functions as a clue. However, the slogan should not fully explain the image. It could be studied whether this effect is also applicable on logos with slogans of charity organizations. If so, slogans and logos could enhance each other's positive effect in some cases. So, verbal anchoring is an interesting subject to take into account when creating a logo.

Another factor that is found to have an impact on the intention to donate is culture (Kim & Lim, 2019). Cultural background influences the way logos are processed and perceived (Jun, Cho, & Kwon, 2008; Omar, Williams, & Lingelbach, 2009). According to Kim and Lim (2019), western cultures have a more favorable attitude towards abstract and asymmetric logos, whereas Asian cultures value natural and harmonious logos more. Hofstede (1984) studied cultural differences in a management context, he found that cultures differ on four dimensions; individualism vs. collectivism, large vs. small power distance, strong vs. weak uncertainty avoidance and masculinity vs. femininity. Therefore, Hofstede argues that companies should adapt their management style to the local culture. It should be studied whether these cultural differences also occur in a communication context. If so, this would mean that cultures evaluate various logos differently, even within Europe.

As mentioned in the last paragraph, an example of a cultural dimension that differs between countries is 'uncertainty avoidance' (Hofstede Insights, n.d.). Within Europe Hungary (82) and the Netherlands (53) differ highly on this aspect, which means Hungarians are more uncertainty avoidant than the Dutch people (Hofstede Insights, n.d.). According to Hofstede (1984), 'uncertainty avoidance' is the extent to which someone is capable of dealing with ambiguous situations. A concept that is highly related to 'uncertainty avoidance' is 'tolerance to ambiguity' (AT) (Furnham & Ribchester, 1995). AT is about how someone perceives and handles ambiguous situations (Furnham & Ribchester, 1995). Because of the similarity of these two constructs, AT can be used as a replacement of uncertainty avoidance. Besides the fact that cultures differ in their response to ambiguity, research found that individuals can differ strongly in their tolerance towards ambiguity too (Arquero & McLain,

2010). Arquero and McLain (2010) found that females are less tolerant to ambiguous situations than males. Additionally, they found that older people do have a higher level of tolerance to ambiguity than youngsters. This level of tolerance to ambiguity could also have an indirect influence on the willingness to donate, since according to Avdeyeva et al. (2006) uncertainty is linked to making donations. Avdeyeva et al. (2006) state that donating is a low risk task and a personally safe way of helping the society. So apparently, donating is concerned with a certain level of uncertainty.

A factor that could reduce this uncertainty is 'completeness of verbal anchoring', because by using a logo with complete verbal anchoring (with slogan), the message becomes more explicit and the level of uncertainty could be reduced. This is because of the finding that a slogan is capable of explaining the message of an image which reduces ambiguity (Phillips, 2000). The differences in preference for ambiguity could suggest that people with a low tolerance to ambiguity are probably be more satisfied with a logo that conveys extensive information (logo with verbal anchoring) than people with a high level of tolerance to ambiguity. Considering this, it could be implied that Dutch people would prefer a more abstract logo (logo without verbal anchoring or only brand name) whereas Hungarian people prefer a more explicit logo (logo with complete verbal anchoring).

As stated in the beginning of this introduction, logos have become increasingly important in a business context. A good logo is even able to gain an economic advantage. Logos are often used in combination with a slogan. Slogans are capable of explaining an image (verbal anchoring). Just as logos, slogans can also evoke positive affect towards a brand or an image. This could suggest that verbal anchoring has a positive influence on the evaluation of a logo. Currently, charities are facing problems generating enough fund. Besides that, very little is known about logos and verbal anchoring in a non-profit context. To fill this gap, it is relevant to study whether logos (with or without verbal anchoring) could also have a positive influence on charity donations. This effect could be different for various countries, even within Europe. So, the research question that will be studied in this paper is: 'What influence do culture and the completeness of verbal anchoring have on consumer response in the Netherlands and in Hungary regarding charity logos?'. To answer this question, 3 sub questions will be answered:

- 1. To what extent do verbal anchoring and culture have an influence on the attitude towards the charity organization?
- 2. To what extent do verbal anchoring and culture have an influence on the attitude towards the logo?

3. To what extent do verbal anchoring and culture have an influence on the intention to donate?

## Methodology

#### Materials

The independent variables of this study were completeness of verbal anchoring (logo with verbal anchoring, logo without verbal anchoring or logo with brand name) and culture/nationality (Hungarian or Dutch). The logos of 2 different charity organizations were used in this study; SOS Children's Villages and World Wildlife Fund. These charities were chosen based on 2 conditions; the charities should operate in Hungary as well as in the Netherlands and the logos of the charities should contain similar elements (logo without verbal anchoring, logo with verbal anchoring and a logo with only the brand name). In order to compare the responses towards the Dutch and Hungarian logos, the designs were kept the same except for the slogan and the language in the logo. To keep the manipulations close to reality, the logos contained the brand name and slogan in the same language and form as used in their country. So, the brand name and slogan of the Dutch SOS Children's Villages were written in Dutch (SOS Kinderdorpen, 'Elk kind een familie') and the brand name and slogan of World Wildlife Fund were written in English (WWF, 'Be one with nature'). The Hungarian logos contained the brand name and slogan as they were used in Hungary, so the brand name and slogan of SOS Children's Villages were written in Hungarian (SOS Gyermekfalu, 'Szerető otthon minden gyermeknek'), the brand name of World Wildlife Fund was written in English and the slogan of World Wildlife Fund was written in Hungarian (WWF, 'Együtt lehetséges'). The meaning of the Dutch and Hungarian brand names and slogans were in some cases a bit adjusted to the country in which it was used.



## Subjects

In total, 195 students participated in this study. The sample consisted of 65 Hungarian students and 130 Dutch students. Hungary and the Netherlands were chosen to compare, because based on Hofstede (n.d.) there are relatively big cultural differences between these two countries considering the dimension uncertainty avoidance. The age of the students ranged from 15 – 64 years old. The average age of the students was 22.29 and the standard deviation was 4.69. It was chosen to investigate young people in the age of 18-25, because earlier research had found that this is a group with high potential for future donations (Knowles, Hyde, & White, 2012). The educational level of the participants varied from high school up to a master's degree. Most participants 42.6%, were doing a bachelor's degree or did already finish it. 56.9% of the participants were female and 43,1% of the participants were male. A convenience snowball sampling method was used, since the researchers gathered participants through their own existing network. The researchers aimed to get two highly similar groups regarding number, age, gender and educational level.

Age (F(2,192) = 1.68, p = .188), gender ( $\chi^2(2) = 5.44$ , p = .066) and level of education  $(\chi^2(8) = 2.86, p = .942)$  were all distributed evenly across verbal anchoring conditions. Age was also equally distributed between the Hungarian and the Dutch sample (t(170.96) = .43, p)= .669). However, gender ( $\chi^2(1) = 4.61$ , p = .032) and education ( $\chi^2(4) = 71.32$ , p < .001) were significantly different between these two groups. The percentage of participants whose highest level of education was high school, was significantly higher for the Hungarian (96.6%) participants compared to the Dutch (3.4%) participants. The percentage of participants who attended or were attending higher education (HBO) was significantly higher for the Dutch (92.3%) participants compared to the Hungarian (7.7%) participants. Besides that, the percentage of participants who obtained or were attending a master's degree was significantly higher for the Dutch (85.7%) participants than for the Hungarian (14.3%) participants. There was no significant difference between the Hungarian and the Dutch samples regarding MBO and bachelor's degrees. Considering gender, the Hungarian (53.8%) sample consisted of significantly more men than the Dutch (37.7%) sample, whereas the Dutch (62.3%) sample consisted of significantly more female than the Hungarian (46.2%) sample.

## Design

The design of the study was a 3 x 2 between subjects design; the factor 'completeness of verbal anchoring' had 3 levels (logo with verbal anchoring, logo without verbal anchoring, logo with only brand name) and 'culture/nationality' had 2 levels (Hungarian and Dutch). 'Charity organization', which also had 2 levels (WWF and SOS Children's Village), was a within subjects element. The combined means of both organizations were used, therefore this factor was suppressed and was not taken into consideration in the design. The independent variables; culture/nationality and completeness of verbal anchoring were measured on nominal level. An interval measurement level was used for the dependent variables; attitude towards the charity organization, attitude towards logo and intention to donate.

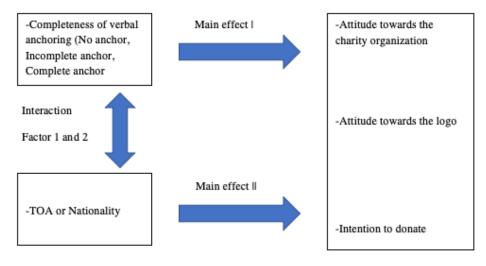


Figure 5. Research design

## Instruments

The dependent variables of this study were attitude towards the charity organization, attitude towards the logo and the intention to donate. To measure these variables, the participants were asked to fill in a questionnaire. The questionnaire mainly consisted of closed questions and statements measured by seven-point scales. The original scales, statements, and items were written in English but were translated into Dutch and Hungarian by the researchers themselves. In this way the participants were presented the questionnaire in their L1, which prevented from reporting biases as mentioned in De Langhe, Puntoni, Fernandes and Van Osselaer (2011).

To measure attitude towards the charity, four scale questions about the participant's appreciation for the organization were asked. These questions which included the items 'successful', 'prestigious', 'respected' and 'admired', are based on Vermeulen and Beukeboom (2016) in Bruner (2019, p. 91) were anchored on a seven-point Likert scale ('strongly disagree' – 'strongly agree'). The reliability of 'attitude towards the charity' concerning the Dutch sample and the whole sample was good, both alphas were higher than  $\alpha$  = .83. The reliability of 'attitude towards the charity for the Hungarian sample was acceptable  $\alpha = .77$ .

Attitude towards the logo was measured by using three scale questions based on Xie and Keh (2016) in Bruner (2019, p. 53). The questions included the items 'good', 'positive' and 'valuable' and were measured on a seven-point Likert scale ('strongly disagree' – 'strongly agree'). (Bresciani & Del Ponte, 2017). The reliability of 'attitude towards the logo' was good, all alphas where higher than  $\alpha = .81$ .

Intention to donate was measured by adopting three scale questions of Zúñiga (2016) in Bruner (2019, p. 515). The items; 'probability', 'likeability' and 'considerability' were measured on a seven-point Likert scale ('strongly disagree' – 'strongly agree'). The reliability of 'intention to donate' concerning the Dutch sample and the total sample was good, both alphas were higher than  $\alpha = .82$ . The reliability of 'intention to donate' for the Hungarian sample was acceptable  $\alpha = .78$ .

To test whether the possible effects of the study can be explained by the differences in level of uncertainty, the questionnaire also included 13 statements about the participant's tolerance to ambiguity based on Arquero and McLain (2010). The items were rated on a seven-point Likert scale demonstrating the degree of agreement ('strongly disagree' - 'strongly agree'). The reliability of 'tolerance to ambiguity' was good for all samples, all alphas were higher than  $\alpha = .83$ .

## Procedure

To investigate the effect of culture/nationality and completeness of verbal anchoring on consumer response regarding charity logos, an online experiment was carried out. The subjects for the research were recruited by; creating social media posts in which they were asked to participate, creating a WhatsApp message in which they were asked to participate and by a personal conversation. The questionnaire was conducted online, because the targeted participants were in general heavy users of the internet. Since it was an online survey, the participants filled in the questions individually. This prevented the participants from being influenced by their peers. To motivate the participants, it was mentioned in the introduction that it would only take a few minutes of their time and that they would help the researchers a lot. Besides that, the students were informed with the aim of the research to make them aware of the value of our study (i.e., the findings of the study could contribute to the survival of charities). It was also stressed that the participants filled in the questionnaire anonymously and all gathered data was handled confidential. Furthermore, participating to this research was voluntary, the subjects were allowed to quit at any moment. Before starting with the questionnaire, the participants were asked to sign an agreement in which they had to agree to the earlier mentioned conditions. After filling in the questionnaire, the subjects were shown appreciation for their participation, no further information about the results was given they unless they asked for it.

The Hungarian students as well as the Dutch students were presented with the logos of the same charity organizations (SOS Children's Village and World Wildlife Fund). However,

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the Dutch participants were presented with the Dutch logo and the Hungarian participants were presented with the Hungarian logo. Each participant was exposed to 1 version of both logos, so they saw 1 version of the WWF logo and 1 version of the logo of SOS Children's Villages. The participants were randomly assigned to the version of the logos. In total, every participant saw 2 logos from 2 distinct organizations. When the participants were exposed to the logos, the participants were asked to fill in questions about these logos. The questions in the questionnaire aimed to measure the set constructs. It was not explicitly mentioned what the questions were aimed to measure to prevent from biases. At the end of the questionnaire, the students were asked if they were familiar with the logos they saw. This was done to take other factors into consideration that might have had an influence on intention to donate. The questionnaire consisted of two parts, the first part contained questions about the participants' attitude towards the organization, the participants' attitude towards the logo and the participants' intention to donate and the second part contained statements about the participants' tolerance to ambiguity. There were some difficulties present when the questionnaire was being conducted. Sometimes participants mentioned that they did not understand the differences between the items we used. Besides that, it appeared to be harder to find Hungarian participants than Dutch participants. The average response time, with the outliers removed, was 5.89 minutes with a standard deviation of 8.65 minutes.

#### Statistical treatment

To test whether there was a significant effect of culture/nationality and or completeness of verbal anchoring on consumer response, multiple analyses were carried out. Three two-way ANOVA's were done, because we were testing the variables on an interval level. The two-way ANOVA made it possible to compare the means and to test for interaction between the variables. To test whether there was a difference between the Hungarian sample and the Dutch sample regarding tolerance to ambiguity, independent t-tests were done. To control whether familiarity had an influence on the results, another independent t-test was done.

## Results

The main purpose of this research was to study the effect of the completeness of verbal anchoring and culture on the consumer response in the Netherlands and Hungary regarding charity logos.

## Differences regarding tolerance to ambiguity

An independent samples t-test, with Levene's test being significant, showed no significant difference between Hungarian and Dutch participants regarding tolerance to ambiguity (t(103.06) = .24, p = .812), with the means being around the midpoint of the scale. See table 1 for means and standard deviations. Because there was no significant cultural difference regarding TOA, from now on the variable will be nationality instead of culture.

Table 1. Means and standard deviations (between brackets) for the tolerance of ambiguity per nationality (1 = tolerant to ambiguity, 7 = ambiguity avoidant)

Tolerance to ambiguity	M(SD)	n
Dutch	3,81(.82)	130
Hungarian	3.85(1.07)	65

## Influence of verbal anchoring and nationality on attitude towards the charity

A two-way analysis of variance with completeness of verbal anchoring and nationality as factors showed a significant main effect of nationality on attitude towards the charity (F(1,189) = 25,65, p < .001). The Hungarian participants (M = 5.94, SD = .91) had a more positive attitude towards the charity than the Dutch participants (M = 5.23, SD = .90) ) (Grand Mean = 5.46, SD = .96). There was no significant effect of the completeness of verbal anchoring on attitude towards the charity (F(2,189) < 1). The two-way analysis of variance also showed no significant interaction between nationality and the completeness of verbal anchoring (F(2,189 = 1.29, p = .278)). See table 2 for means and standard deviations.

To further analyze the effect of nationality on attitude towards charity, independent ttests for the separate conditions were done. An independent t-test for the condition 'without verbal anchoring' with (t(63) = 1.90, p = .061) showed no significant difference between the Hungarian and the Dutch participants regarding attitude towards the charity. An independent t-test for the condition 'only brand name' showed a significant difference between the Hungarian and the Dutch sample (t(59) = 2.51, p = .015). The Hungarian participants (M = 5.91, SD = .1.09) had a significant more positive attitude towards the charity than the Dutch participants (M = 5.29, SD = .83) when they saw the logo with only the brand name. An independent t-test for the condition 'complete verbal anchoring' showed a significant difference between the Hungarian and the Dutch sample (t(67) = 4.53, p < .001). The Hungarian participants (M = 6.16, SD = .80) had a more positive attitude towards the charity than the Dutch participants (M = 5.16, SD = .87) when they saw the logo with the complete verbal anchoring.

## Influence of verbal anchoring and nationality on attitude towards the logo

A two-way analysis of variance with completeness of verbal anchoring and nationality as factors showed a significant main effect of nationality on attitude towards the logo (F(1,189) = 7.60, p = .006). The Hungarian participants (M = 5.59, SD = 1.04) had a more positive attitude towards the logos than the Dutch participants (M = 5.14, SD = 1.07) (Grand Mean = 5.29, SD = 1.08). The completeness of verbal anchoring showed no significant effect on the attitude towards the logo (F(2,189) < 1). The two-way analysis of variance showed no significant interaction between nationality and the completeness of verbal anchoring (F(2,189) < 1). See table 2 for means and standard deviations.

To further analyze the effect of nationality on attitude towards the logo, independent ttests for the separate conditions were done. An independent t-test for the condition 'without verbal anchoring' showed no significant difference between the Hungarian and the Dutch participants regarding attitude towards the charity (t(63) = 1.01, p = .318). An independent ttest for the condition 'only brand name' showed no significant difference between the Hungarian and Dutch participants (t(59) = 1.79, p = .078). An independent t-test for the condition 'complete verbal anchoring' showed a significant difference between the Hungarian and the Dutch sample (t(67) = 2.13, p = .037) The Hungarian participants (M = 5.57, SD =.95) had a significant more positive attitude towards the charity than the Dutch participants (M = 5.05, SD = .93) when looking at the logo with complete verbal anchoring.

## Influence of verbal anchoring and nationality on intention to donate

A two-way analysis of variance with completeness of verbal anchoring and nationality as factors showed no significant main effect of nationality (F(1,189) = 1,42, p = .235) and verbal anchoring (F(2,189) < 1) on intention to donate. There was also no interaction present between nationality and the completeness of verbal anchoring (F(2,189) < 1). See table 2 for means and standard deviations. Table 2. Means and standard deviations (between brackets) for the completeness of verbal anchoring and nationality on the consumer response (1 = very negative attitude, 7 = very positive attitude)

Nationality	Attitude towards	Attitude towards logo	Donation intention		
	charity				
	M(SD) n	M(SD) n	M(SD) n		
Dutch					
Without VA	5.24(.98) 46	5.28(1.22) 46	4.45(1.25) 46		
Only Brand Name	5.29(.83) 37	5.09(1.04) 37	4.39(1.26) 37		
Complete VA	5.16(.87) 47	5.05(.93) 47	4.17(1.06) 47		
Total	5.23(.90) 130	5.14(1.07) 130	4.33(1.19) 130		
Hungarian					
Without VA	5.72(.72) 19	5.60(1.03) 19	4.46(1.22) 19		
Only Brand Name	5.91(1.09) 24	5.60(1.17) 24	4.82(1.28) 24		
Complete VA	6.16(.80) 22	5.57(.95) 22	4.40(1.41) 22		
Total	5.94(.91) 65	5.59(1.04) 65	4.57(1.30) 65		
Total					
Without VA	5.38(.93) 65	5.37(1.17) 65	4.45(1.23) 65		
Only Brand Name	5.53(.98) 61	5.29(1.11) 61	4.56(1.28) 61		
Complete VA	5.48(.97) 69	5.22(.96) 69	4.24(1.18) 69		
Total	5.46(.96) 195	5.29(1.08) 195	4.41(1.23) 195		

## Familiarity with the logo

After filling in the questions, the participants were asked if they already knew the logo before filling in the questionnaire. 95.5% of all participants did recognize the logo of the WWF whereas 84.1% of all participants did not recognize the logo of SOS Child's Villages. A Chi-square test showed a ( $\chi^2(1) = 5.54$ , p = .019) significant difference between yes/no, for both samples regarding the familiarity with the logo of SOS Child's Villages. 48.4% of the Dutch participants were familiar with the logo, 51.6% of the Hungarian participants were familiar with the logo. Both samples differed in their proportion of recognition with the logo. See table 3 for the percentages and observed counts.

Another Chi-square test for the familiarity with the WWF logo showed a significant difference between yes/no for both samples ( $\chi^2(1) = 11.01, p = .001$ ). 69% of the Dutch participants were familiar with the WWF logo and 31% of the Hungarian participants were

familiar with the WWF logo. Again, both samples differed in their proportion of recognition with the logo.

Table 3. Percentages and observed counts (between brackets) for familiarity with the logos per nationality (1 = familiar, 2 = not familiar)

Familiarity with the logo	%Yes	%No	Observed count Total
SOS Child's Villages			
Dutch	48.8% (15)	70.1% (115)	130
Hungarian WWF	51.6% (16)	29.9% (49)	65
Dutch	69% (129)	12.5% (1)	130
Hungarian	31% (58)	87.5% (7)	65

## **Conclusion and Discussion**

This study attempted to answer the following research question; 'What influence do culture and the completeness of verbal anchoring have on consumer response in the Netherlands and in Hungary regarding charity logos?'. Findings indicate no significant effect of the completeness of verbal anchoring on consumer response. However, they do indicate an effect of nationality on consumer response. Hungarian people seemed to have a more positive attitude towards the charities and the logos than Dutch people. Furthermore, it was found that most participants already knew the logo of the WWF before filling in the questionnaire, whereas the majority of the participants were not familiar with logo of SOS Child's Villages. Besides that, the proportion of familiar/not familiar was found to be significantly different within both samples. There was no significant difference between the Dutch and the Hungarian participants with respect to tolerance to ambiguity.

The finding in the present study that Hungarian participants valued the logos more positively than the Dutch participants seems to be caused by the logo condition with complete verbal anchoring. The Hungarian participants were significantly more positive towards the logo with complete verbal anchoring than the Dutch participants. This is in line with the study of Kim and Lim (2019) who found that different cultures prefer different logo designs. These results also provide support for the findings of Jun et al.(2008) and Omar et al. (2009) who stated that cultural background influences the processing and perception of logos. Although

verbal anchoring did not have a significant effect on consumer response, the results of our study did find differences between The Hungarian participants and the Dutch participants. In other words, the contribution of this study is that it shows that even countries within Europe can have different preferences for logo designs. Additionally, the completeness of verbal anchoring is not a factor that played a role in this difference. Future research could study whether this is also the case for other countries.

This study also found that Hungarian participants had a more positive attitude towards the charities than the Dutch participants, which seems to be caused by the logo conditions 'only brand name' and 'complete verbal anchoring', the Hungarian participants had a significantly more positive attitude towards the charity for these two conditions than the Dutch participants. The findings that Hungarian participants had a more positive attitude towards the logos as well as towards the charities are only partly in line with our expectations based on a study of Henderson and Cote (1998), who found that favorable logos can lead to favorable attitudes towards the brand, since it is not clear whether the attitude towards the logo caused the Hungarian participants to have a more positive attitude towards the charity. Future research should study whether there is a correlation between these two variables. Another explanation for the current findings could possibly be given by differences in cultural dimensions. Since this study found no differences between the two samples regarding tolerance to ambiguity and since this dimension has been related to uncertainty avoidance, this finding cannot be explained by tolerance to ambiguity. However, Hofstede (Hofstede Insights, n.d.) did find other differences between Hungary and the Netherlands concerning his cultural dimensions e.g. power distance, masculinity, long term orientation and indulgence. The results of the current study could possibly be ascribed to the differences regarding the dimension indulgence vs restraint, since Hofstede (n.d.) found Hungary and the Netherlands to differ highly on this dimension. Besides that, indulgent cultures tend to attach more value to spare time, fun activities and spending money on these activities than restraint cultures (Hofstede Insights, n.d.). This could mean that they focus more on their own pleasure and joy than the joy and well-being of others. Since most charities focus on the well-being of others, this would suggest restraint cultures having a more positive attitude towards charities. Hungary is found to be a more restraint culture whereas the Netherlands is found to be a more indulgent culture, this could explain why Hungarian participants had a more positive attitude towards the charity than the Dutch people. Future research could study whether this indeed is the case.

The finding that there were no significant differences between the Hungarian and Dutch participants regarding donation intention is not in line with earlier research which indicated that donating has to do with a certain level of uncertainty (Avdeyeva, Welch, & Burgetova, 2006). Since according to Hofstede (n.d.), Hungarian and Dutch people differ in their tolerance to ambiguity, one would expect the Dutch participants to have a higher donation intention than the Hungarian participants. A possible explanation for these results could be that the participant groups of our study did not significantly differ in their tolerance to ambiguity, since we expected the differences regarding the dimension TOA to cause variations between Hungary and the Netherlands regarding intention to donate. Besides that, the level of risk that comes with donating could be too low to observe a difference between the two participant groups since Avdeyeva and Welch (2006) stated that donating is a lowrisk task.

The completeness of verbal anchoring had no significant effect on attitude towards the logo, attitude towards the charity and donation intentions. This is not in line with the existing literature which stated that verbal elements can function as an anchor or as a relay (Barthes, 1993). Philips (2000) even found that slogans can increase the likeability of a pictorial element. These contradicting results could be explained by the design of the three conditions, it could be the case that the three conditions did not differ enough to cause a significant effect. Another explanation for these contradicting results with Philips (2000), is that this research focused on consumer response in a non-profit context, whereas the study of Philips focused on advertisements in a profit context. It could also be the case that the chosen verbal elements are not capable of carrying the meaning of the logo.

The findings of our study are limited since the design took only two charity organizations into consideration. Besides that, the Dutch and Hungarian samples were not equally distributed regarding gender, educational level and the number of participants. This could have biased the results since research found women tend to make more charitable donations than men (Einolf, 2011) and people with a higher educational level are more willing to donate (Wiepking & Maas, 2009). Furthermore, multiple participants mentioned that they had troubles differentiating the various scale-items. This makes the results less reliable. Another limitation is that the majority of the participants already knew the logo of the WWF before filling in the survey, this could have influenced their answers.

Future research could investigate the logos of other charity institutions to test whether that would lead to the same results. Besides that, it would be insightful to look deeper into TOA, other cultural dimensions and correlations (e.g. indulgence vs. restraint) to determine

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what exactly caused the differences in logo and charity appreciation. Furthermore, it would be interesting to study other nationalities than the Netherlands and Hungary to see if similar results will be present. In addition to the earlier suggestions, future research should also aim to get bigger and more homogenous samples. Another thing future research should take into account is the familiarity with the logo, future studies should aim to find two or more logos which are not yet known by the participants. Moreover, the questionnaire could probably explain a bit more what is meant with the items to prevent from incongruities.

In sum, this study aimed to investigate the effect of nationality and completeness of verbal anchoring on consumer response. It turned out that the completeness of verbal anchoring had no effect on attitude towards logo, attitude towards charity and donation intention. So, verbal anchoring cannot be used as a strategy to increase donations. However, nationality did have an effect on consumer response. Hungarian participants had a more positive attitude towards the logo and the charity than the Dutch participants. Future research should further investigate the underlying motives that caused these cultural differences.

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# Appendix A; Logos



Figure 1. Hungarian Logo SOS Children's Village (SOS Gyermekfalvak Magyarország, n.d.)



Figure 2. Dutch logo SOS Children's Village (SOS Kinderdorpen, n.d.)









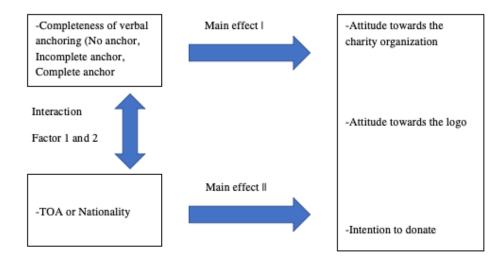




Figure 3. Hungarian Logo World Wildlife Fund (World Wildlife Fund, n.d.)

*Figure 4. Dutch Logo World Wildlife Fund (World Wildlife Fund, n.d.)* 

# Appendix B; Research Design



# Appendix C; Questionnaire McLain (2009) – MSTAT-II

# <u>Original</u>

1. I don't tolerate ambiguous situations well.

2. I would rather avoid solving a problem that must be viewed from several different perspectives.

3. I try to avoid situations that are ambiguous.

- 4. I prefer familiar situations to new ones.
- 5. Problems that cannot be considered from just one point of view are a little threatening.
- 6. I avoid situations that are too complicated for me to easily understand.
- 7. I am tolerant of ambiguous situations.
- 8. I enjoy tackling problems that are complex enough to be ambiguous.
- 9. I try to avoid problems that don't seem to have only one "best" solution.
- 10. I generally prefer novelty over familiarity.
- 11. I dislike ambiguous situations.
- 12. I find it hard to make a choice when the outcome is uncertain.
- 13. I prefer a situation in which there is some ambiguity.

## Dutch version

- 1. Ik kan niet goed tegen onduidelijke situaties
- 2. Het liefst ontwijk ik problemen die op meerdere manieren opgelost kunnen worden
- 3. Ik probeer onduidelijke situaties het liefst te vermijden
- 4. Ik verkies bekende situaties boven nieuwe situaties
- 5. Problemen die niet vanuit één standpunt kunnen worden gezien zijn enigszins intimiderend
- 6. Ik vermijd het liefst situaties die moeilijk te begrijpen zijn.

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7. Ik kan goed met onduidelijke situaties omgaan.

8. Ik vind het leuk om moeilijke en onduidelijke problemen op te lossen

9. Het liefst vermijd ik problemen die niet één manier van oplossen lijken te hebben

10. Over het algemeen geef ik de voorkeur aan nieuwe dingen boven vertrouwde dingen.

11. Ik houd niet van onduidelijke situaties

12. Ik vind het moeilijk om keuzes te maken wanneer het resultaat onzeker is

13. Ik geef de voorkeur aan situaties die enigszins onduidelijk zijn

## Hungarian version

1. Nem tolerálom azokat a helyzeteket, amelyek nem egyértelműek.

2. Szívesebben oldok meg egy problémát, amit több szemszögből kell megvizsgálni.

3. Megpróbálom elkerülni a nem egyértelmű helyzeteket.

4. Előnyben részesítem az ismerős helyzeteket, az újak helyett.

5. Azok a problémák, amik nem csak egy szemszögből közelíthetők meg, egy kicsit nyomasztóak.

6. Kerülöm azokat a helyzeteket, amelyek számomra túl bonyolultak hogy egyszerűen megértsem.

7. Tolerálom a kétértelmű helyzeteket.

8. Szeretek olyan problémákat megoldani, amelyek elég bonyolultak ahhoz, hogy kétértelműek legyenek.

9. Megpróbálom elkerülni azokat a problémákat, amiknek nincs "egy legjobb" megoldása.

10. Általában az újdonságot preferálom az ismert helyett.

11. Nem szeretem a kétértelmű helyzeteket.

12. Nehezen döntök olyan helyzetekben amikor az eredmény bizonytalan.

13. Azt a helyzetet részesítem előnyben, amely valamennyire kétértelmű.