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Do Commodity Advertising and Promotion Pay?

Commodity Advertising and Promotion. Edited By Henry W Kinnucan, Stanley R Thompson, and Hui-Shung Chang Ames Iowa State University Press, 1992, 409 pages, \$44 95 (hardback)

Reviewed by Gary W. Williams

Advertising to promote consumption of agricultural products and government support of these efforts have been around since the late 1800's However, only in the past decade have agricultural economists begun to focus on the theory of commodity advertising and promotion and to measure the impacts in agricultural markets Congress recently authorized mandatory producer assessments or "check-off" programs for milk (1983), beef, pork, and honey (1985), and soybeans (1990) The relatively huge sums of funds collected under these programs to support commodity promotion have spawned widespread debate regarding the effectiveness of such programs and the most efficient use of the funds collected

Agricultural economists have responded to the need for information on the effects of commodity advertising, but in sources so diverse as to require extensive bibliographic searches Fortunately, Kinnucan, Thompson, and Chang have pulled together 24 papers on agricultural commodity advertising and promotion research, originally presented at a 1989 conference sponsored by the Northeast Regional Committee on Commodity Promotion Programs (NEC-63)

Most papers in this volume focus on the response to advertising in various agricultural markets, including dairy, meat, potatoes, orange juice, wool, and fats and oils The response measurement papers describe the theoretical basis of their work and the methodologies used in their analyses Several other papers focus specifically on issues in theory and methodology

The book includes six major topical sections As is the case for most compilations of papers, however, the reasons for the particular organization of the papers are not clear Consequently, the organization seems a bit arbitrary The foreword by Olan Forker, Chairman of NEC-63, provides some background on the conference and its objectives but does little to help the reader understand how the book is organized, why the book is divided into those particular topical sections, and the importance of the contribution of each paper

The first section ("Ongoing Empirical Research on Generic Advertising") offers seemingly "miscellaneous" papers presented at the NEC-63 conference The papers range from newspaper advertising strategies for apples in North Carolina to the use of split-cable scanner data in commodity advertising research Taken individually, the papers provide an interesting look at some innovative work on commodity promotion effects and the use of scanner data in advertising research

"Incorporating Advertising into Demand Systems" benefits from Hayes's cogent summary and evaluation of five papers The papers do little to determine whether advertising pays, but they offer excellent examples of incorporating advertising into demand systems and attempts to measure cross-commodity influences on advertising Hayes contends that poor data pieclude the measurement of commodity advertising effectiveness

The third section, "Effectiveness of Brand versus Generic Advertising" examines the impacts of generic and branded advertising in the fresh/ processed potato and orange juice markets This section is instructive and insightful, but largely ignores the effectiveness of generic versus brand advertising, and, instead, analyzes the performance of generic and brand advertising

"Attitudes in Advertising Research" first evaluates the potency of generic advertising in the pork industry using several analytical approaches, including a multistage model to consider how advertising shapes the attitudes of consumers of fresh pork and subsequent pork consumption Also investigated is the relative importance of various attitudinal variables to the frequency and per capita use of milk and dairy products The discussion paper at the end of this section does not address the other two papers but analyzes measur-

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