

# Under Electronic Marketing Influence

*a study on influence principles' affect on e-marketing success*

---

## Abstract

Marketers today frequently make use of electronic newsletters when communicating promotional content to subscribing consumers. Consumers receive so many of these newsletters that the chief objectives of an electronic newsletter has become to merely be granted attention by the receiver. In electronic newsletters, as well as in other marketing messages, marketers, knowingly or not, frequently compose appeals that call on the receiver of the message to skip exhaustive cognitive procedures and associate cues with previously held beliefs. Researchers have long studied the effect these mental shortcuts, called influence principles, have on consumers' behavior and two of them, social proof and supply related scarcity, have especially well-documented positive effects. However, a gap in the research exists as no studies have explored the effects the influence principles have on electronic newsletters; a gap this thesis bridges. The main purpose of this thesis is to explore the effects social proof and supply related scarcity appeals, in the subject line of an electronic newsletter, have on open rates. The effects are explored for different types of communicated content as well as for products with different levels of involvement and different underlying purchase motivations.

A qualitative content analysis was conducted to discover what commercially intended electronic newsletter content types B2C marketers make use of in Sweden. Marketers are found to communicate special offers, sale- and promotional information via electronic newsletters. A quantitative study then made use of these results and compared the differences in respondent-reported levels of interest for the message as well as desire and intention to open the message for neutral subject lines as well as for subject lines signaling social proof and supply related scarcity. This was done with the help of a questionnaire. The results indicate that the explored influence principle appeals do not generate higher levels of compliance from consumers. In spite of this, results reveal that different electronic newsletter content types and different product types that messages refer to, do in fact affect reported levels of interest, desire and intention.

## Keywords

E-newsletters, online conversion rate, influence principles, social proof, supply related scarcity

---

<b>Author</b>	Johanna Gustafsson 40621	<b>Tutor</b>	Erik Modig
<b>Discussants</b>	Johan Girell	<b>Examiner</b>	Jonas Colliander
	John Bergström	<b>Presentation</b>	December 19, 2014

---

*Special thanks to*

**Erik Modig**

For months of guidance,  
and for answering all my questions

**John Ekman**

For introducing me to the world of influence principles  
and doing it with contagious enthusiasm

**Conversionista**

For introducing me to the world of online conversion rates,  
for letting me partake in your insightful Conversion Manager course  
and for brainstorming possible research areas with me

## Table of Content

1. INTRODUCTION	1
1.1 BACKGROUND	1
1.1.1 An Electronic Marketing Tool	1
1.1.2 Consumer Psychology - Influence Principles	2
1.2 PROBLEM AREA	3
1.3 PURPOSE OF THE STUDY	4
1.4 EXPECTED KNOWLEDGE CONTRIBUTION	4
1.5 DELIMITATIONS	4
1.6 DEFINITIONS	6
1.7 THESIS OUTLINE	6
2. THEORY AND HYPOTHESES GENERATION	7
2.1 MOTIVATION AND INFLUENCE PRINCIPLES	7
2.1.1 Social Proof	7
2.1.2 Scarcity	10
2.1.3 The Moderating Effect of Product Relevance	12
2.2 MEASURING MARKETING EFFECTS - AIDA AND OBJECTIVES	15
2.2.1 Step One - Attention	16
2.2.2 Step Two - Interest	16
2.2.3 Step Three - Desire	16
2.2.4 Step Four - Action	16
2.3 HYPOTHESES GENERATION	17
2.3.1 Interest in the E-newsletter	17
2.3.2 Desire to Open the E-newsletter	18
2.3.3 Intention to Open the message	19
2.4 SUMMARY OF HYPOTHESES	19
3. STUDY I	20
3.1 PROBLEM AREA	20
3.1.1 Research Question	21
3.2 EXPECTED KNOWLEDGE CONTRIBUTION	21
3.3 DELIMITATIONS	21
3.4 METHODOLOGY	22
3.4.1 Scientific Approach and Overall Research Design	22
3.5 PREPARATORY WORK	23
3.5.1 Preparatory Step 1 – Determining Sample Dimensions	23
3.5.2 Preparatory Step 2 – Collecting Data	25
3.6 THE MAIN STUDY	27
3.6.1 The Qualitative Content Analysis	27
3.7 ANALYTICAL TOOLS	28
3.7.1 The Coding Scheme	28
3.8 DATA QUALITY	30
3.8.1 Credibility	30

3.8.2 Transferability	30
3.8.3 Dependability	31
3.8.4 Confirmability	31
3.9 RESULTS AND ANALYSIS	31
3.10 DISCUSSION	33
3.10.1 The Different Types of E-newsletter Contents	33
3.10.2 Conclusion	34
3.10.3 Managerial Implications	34
3.10.4 Criticism of the Study	35
3.10.5 Future Research	35
3.11 HYPOTHESES REDEFINED	36
4. STUDY 2	37
4.1 RELATION TO STUDY 1	37
4.2 METHODOLOGY	37
4.2.1 Initial Work	37
4.2.2 Scientific Approach and Overall Research Design	38
4.2.3 Preparatory Work	38
4.3 THE MAIN STUDY	44
4.3.1 Quantitative Data Sampling	45
4.4 THE QUESTIONNAIRE	45
4.5 ANALYTICAL TOOLS	48
4.6 DATA QUALITY	48
4.6.1 Reliability	48
4.6.2 Validity	49
4.7 RESULTS AND ANALYSIS	49
4.7.1 (A)IDA – Hierarchy of Effects Model	49
4.7.2 The Moderating Effect of Product Relevance	57
4.7.3 Content- and Product Type	58
4.7.2 Summary Of Hypotheses	59
4.8 DISCUSSION	61
4.8.1 (A)IDA and Social Proof and Scarcity Appeals	61
4.8.2 Conclusion	64
4.8.3 Managerial Implications	65
4.8.4 Criticism of the Study	66
4.8.5 Future Research	67
REFERENCES	68
APPENDIX I - STUDY 1: The Coding Manual	73
APPENDIX II - STUDY 1: Test of Manipulation	75
APPENDIX III - STUDY 2: The Questionnaire	76

# 1. INTRODUCTION

## 1.1 BACKGROUND

Modern day's advertising dates back to the dawn of the industrial revolution (Norris, 1980). In the same pace that steel machines were being rolled out on the production floors, consumers found themselves choosing from an increasing number of options in the bread, soup and salt aisles. Behind these very aisles, a war for the consumers' pennies began as, for the first time, more could be produced than could be consumed. On the battlefield of this war, the consumer's attention was fought hard for with advertising. Fast-forward some 200 years and this same war is still in full effect. The fact of the matter is that the advertising war has only intensified since. As more and more marketing messages were projected at consumers, the biological progression of human beings reacted to the deceptiveness of marketers and slowly but surely evolution picked up again. We have gone from Neanderthals to human beings with visual fields so narrow that we no longer see the blinking banners on the side panels of Aftonbladet.se (Resnick & Albert, 2013). Some researchers began to flag for the fact that the overload of messages consumers faced was counterproductive for marketers' objectives (Ha & Litman, 1997). Marketing had to become smarter; practitioners had to adapted communications to circumvent the blind eye consumers viewed marketing efforts with. In modern times, direct mail via the Internet has been heavily employed as a strategy to do this. Today commercial emails are, almost at an exponentially increasing rate, landing in the inboxes of consumers (Buscarino & Ellefritz, 2008). Let's position ourselves at the business side of this phenomenon, called electronic newsletters or, by popular speech, e-newsletters.

### 1.1.1 An Electronic Marketing Tool

Despite recent years' growth of social media as companies' communication channel to consumers and despite the struggles that online marketing have gone through, e-newsletters remain a popular and high-performing marketing technique. Studies have even found e-newsletters to be up to 40% more effective at acquiring customers than both Facebook and Twitter are (McKinsey & Company, 2014). In addition to this, sales generated by e-newsletters, as opposed to by social media channels, bring in about 17% more revenue (ibid). How can it be that this old-fashion phenomena that has been around for more than 40 years, is still one of the best-used online marketing procedures (Powerprodirect.com, 2014)? Part of the answer to this




question lies in the low costs associated with e-newsletters and the fast responses they generate (Martin et al., 2003). Another contributing factor to the success of e-newsletters is that consumers have the highest trust for e-newsletters out of all digital marketing forms (The Nielsen Company, 2013). With this in mind it is no wonder 71% of marketers say they intend to increase their e-newsletter related marketing investments in coming years (PR Newswire US, 2014).

One of the primary benefits of this marketing technique is the link to the bottom line of the income statement e-newsletters provide managers with. Even though most e-newsletters are sent with the goal of getting the consumer to click through and purchase or sign up for something, in a world where a subscribing consumer receives hundreds of e-newsletters on average each month, and this number only represents a rough 30% of the average consumers' total monthly incoming emails (Return Path, 2013), the first objective of any e-newsletter is to prompt the receiver open the email. The way the most popular mailbox providers (Gmail, Hotmail, Yahoo (Brownlow, 2012) present incoming emails to users is by listing the message information like sender, subject line and date received (ibid). Efforts to improve the conversion rate measuring the percentages of consumers who open the e-newsletter, the so-called "open rate", have thus for natural reasons largely been focused around advancements of subject lines.





### **1.1.2 Consumer Psychology - Influence Principles**

The science behind how consumers behave has long provided marketers with tools to grapple attention in ever-increasingly cluttered market spaces. A set of these tactics commonly referred to are called influence principles. Influence principles provide consumers with cognitive shortcuts in moments where decisions have to be made or information about what behavior to display is sought after (Cialdini, 2007; Kahneman, 2011; Petty et al., 2005). Shortcuts allow consumers to associate cues with beliefs they hold about something related to the cue (Cialdini, 2007). These experience based techniques to resolve matters are called heuristics. The way in which heuristics work is what allows marketers to, contradictive enough, sell *more* by increasing a products prices and it is what makes 30% more people, illegally, follow a well dressed-man across the street in contrast to a man in working shirt and pants (ibid). Two principles of this kind that are widely used, and have scientifically been proven to be effective in marketing communication are social proof (people derive their understanding of accepted behavior from

observations of other people's behavior) and scarcity (people deem scarce objects to be more valuable because of their limited availability) (Nahai, 2012; Nodder, 2013; Griskevicius et al., 2009). A marketing communications study found that the most frequently used appeals used by TV shopping hosts to motivate viewers to take action were appeals of social proof and scarcity (Fritchie & Johnson, 2003). Further, some websites and blogs make use of the social proof principle by signaling other visitors' behavior while other websites make use of the scarcity principle to successfully motivate visitors of the website to opt-in to various lists (Marrs, 2013). To understand if social proof and scarcity appeals are being used in e-newsletters one need not look further than in ones very own email inbox. The following were found in mine:

   **Henri Bendel**  **Our Best Selling Scents Just Got Better...**

*Image 1: "Best selling" signals other consumers' behavior i.e. social proof*

   **Interflora.se**  **Den omtalade Septemberbuketten är här!**

*Image 2: "Omtalade" signals other consumers' behavior i.e. social proof*

   **House of Dagmar**  **Exclusive offer 20% off - Sweaters**

*Image 3: "Exclusive offer" signals limited availability of the offer i.e. scarcity*

   **Halens**  **SKYND A FYNDA! Endast 48h kvar..**

*Image 4: "Skynda" signals limited availability i.e. scarcity*

## 1.2 PROBLEM AREA

Academic studies on influence principles have, on many occasions, been performed in retail settings and marketers make use, knowingly or not, of these principles on a regular basis. Despite this, to the best of my knowledge, there exists no research on the relation between social proof, scarcity appeals and e-newsletters' effectiveness. Considering the widely accepted belief that including social proof and scarcity appeals increases marketers' ability to get compliance from consumers, and the widespread use of e-newsletters as a marketing tool, research in this area is called for. Furthermore, managers are, whether they know it or not, including social proof and scarcity activating phrases in their e-newsletters and it has yet to be established scientifically if doing so is beneficial in all types of marketing communication. Further, keeping the monetary

value open rates are linked to, in mind; it is also of managerial interest that studies in this area are undertaken.

### **1.3 PURPOSE OF THE STUDY**

The purpose of this study is to find out how e-newsletters with social proof and scarcity appeals in the subject line affect e-newsletter open rates for products with different levels of involvement and underlying purchase motivations. The levels of involvement are high and low and the underlying purchase motivations are hedonic, utilitarian conspicuous and non-conspicuous. In order to answer the main research question the following three will be answered:

1. Do social proof and scarcity appeals affect consumers' interest in e-newsletters?
2. Do social proof and scarcity appeals affect consumers' desire to open e-newsletters?
3. Do social proof and scarcity appeals affect consumers' intentions to open e-newsletters?

### **1.4 EXPECTED KNOWLEDGE CONTRIBUTION**

Social proof and scarcity appeals are well-researched topics and the fact that the principles affect consumers when used in marketing communications of various kinds is a widely accepted fact by now (Cialdini, 2007; Kahneman, 2011; Lynn, 1992b). Considering e-newsletters' importance within the marketing area, the gap in the literature on how social proof and scarcity appeals affect consumers is of great interest to fill, researchers have also called for it to be (Goldstein, Cialdini & Griskevicius, 2008; Griskevicius et al., 2009). This thesis is intended to contribute to the literature on influence principles by exploring the effects the principles have in an e-newsletter marketing context. For managers, this thesis is also of worth as e-newsletter are frequently used in practice and have monetary value.

### **1.5 DELIMITATIONS**

To facilitate the exploration of the research purpose for this thesis, and for purposes related to the nature of this study (it being a master thesis), the study will be affected by some delimitations. First off, when it comes to email marketing, marketers have an array of e-newsletter kinds to communicate with. There are e-newsletters that are being sent between firms (B2B e-newsletters), between firms and consumers (B2C e-newsletters) and between employers and employees (intra-organizational e-newsletters) to name a few. As this thesis intends to measure



how social proof and scarcity appeals persuade consumers to act in a certain manner, only truly persuasive messages are of interest. Because of this, this study will only study e-newsletters with commercial intent sent to end-consumers by B2C companies.

Further, this thesis is only concerned with measuring the effect social proof and scarcity appeals have on objectives related to the open rates of an e-newsletter. In practice, marketers measure the success or failure of an e-newsletter with more metrics such as click-through and forwarding-rates as well. As these rates are believed to be dependent on other factors than merely the copy in them (design being one of them) (Miquel-Romero & Adame-Sánchez, 2013) and this thesis is interested in how social proof and scarcity appeals *in the subject line* of e-newsletters affect consumer behavior, these other metrics will not be considered.

In addition, even though there are numerous principles of influences that affect humans, only social proof and scarcity will be discussed in this thesis. The choice of these two principles is based on the fact that they are widely used in commercial purposes (Marrs, 2013; Fritchie & Johnson, 2003) and have scholarly been studied in combination before (Griskevicius et al., 2009). Furthermore, the literature on scarcity differentiates between demand and supply related scarcity (Van Herpen, Pieters & Zeelenberg, 2009; Aguirre-Rodriguez, 2013). As the former kind is believed to affect consumers because it signals what other consumers have purchased and it thus is closely related to social proof, this study will only be concerned with supply related scarcity.

Finally, while the first study, Study1, of this thesis is concerned with both products and service, Study 2 is only concerned with psychical products. Therefore, no service related considerations will be made due to limited available resources. Another delimitation of this study pertains to the representation of the different product categories the explored effect will be measured in relation to in Study 2. Only one product for high- and low-involvement, hedonic, utilitarian, conspicuous and non-conspicuous products respectively was chosen to represent each category. This too is related to a the limited resource available for the conduction of the thesis, mainly in terms of time.

## 1.6 DEFINITIONS

Some clarifications to what the definitions of various e-newsletter related concepts are in order. It is assumed the reader has good general knowledge of basic marketing terms but some consumer psychology terms are defined too to avoid misunderstandings.

**E-newsletter:** an electronic newsletter sent by a firm. For purposes of this thesis it is further defined as an electronic newsletter sent by a firm, with commercial purposes, to an end consumer.

**Open-rate:** the percentage of successfully delivered e-newsletters that are opened by the receiver (MailChimp, 2014).

**Involvement:** “the importance of a product or decision to a individual” (Gabler & Reynolds, 2013, pg. 444).

**Hedonic goods:** goods that provide the consumer with experiential consumption. Hedonic goods are fun, pleasant or exciting to purchase or consume (Dhar & Wertenbroch, 2000).

**Utilitarian goods:** goods that are primarily instrumental and/or functional. Utilitarian goods are purchased or consumed to fulfill a need (Dhar & Wertenbroch, 2000).

**Conspicuous consumption good:** Products that can be consumed in order to satisfy social needs like being envied and respected (Gierl & Huettl, 2010).

## 1.7 THESIS OUTLINE

This thesis is composed of four major parts. This first part has been comprised of background and introduction to the topic and the thesis as well as a presentation of the problem area, the expected knowledge contribution, delimitations and definitions. The second part of the study outlines the relevant theories the thesis is concerned with, introduces the framework which the thesis will center its analysis around and describes the hypothesis generation. Part three of the thesis explains how Study 1 was conducted and presents results and a discussion around the results. This part also includes managerial implications and criticism of Study 1 and proposes directions for future studies. Part four of the thesis explains how Study 2 was conducted, presents results and a discussion around the results. Part four also includes managerial implications if Study 2, points of criticism of Study 2 and propositions for directions of future studies.

## 2. THEORY AND HYPOTHESES GENERATION

### 2.1 MOTIVATION AND INFLUENCE PRINCIPLES

The cause and effect relationship between human behavior and its surroundings has long been of interest for philosophers and psychologists. Various models and theories have been developed to explain *why* humans seem to be so influenced by what surrounds them (Kahneman, 2011; Petty et al., 2005) but the fact of the matter that humans *are* influenced is rarely disputed. What is more is that most of the literature on the topic points at the fact that heuristics play a part in the explanation (Cialdini, 2007; Kahneman, 2011; Nordfält, 2011). Cues from our social surroundings let our minds skip exhaustive mental work by the connections we make between the cues and previously held beliefs.

Perhaps the most famous illustrator of this relationship is Stanley Milgram who, in the 1960's, demonstrated the considerable impact the surrounding of humans have on them and their decisions to behave and act in certain ways. One of Milgram's more shocking and discussion-provoking experiments linked the presence of an authority-representing figure to people's total submission to obedience and pain infliction on others (Milgram, 1963). Another experiment by Milgram, Bickman and Berkowitz proved the influence from our surroundings are not only visible in controlled experiment situations but rather, affects our everyday lives. Milgram had an experiment participant stand at a bus stand and look up at the sky. Shortly thereafter, 40% of the people in close approximation to the experiment participant, could also be seen looking up at the sky. When the number of strategically positioned experiment participants looking up at the sky was doubled, 60% followed and when four hired experiment participants gazed up, 80% of the surrounding people did too (Milgram, Bickman & Berkowitz, 1969). Developing a better understanding for how people react to cues in their surroundings is understandably of interest for marketers and as a result, an extensive body of research has been documented concerning the topic.

#### 2.1.1 Social Proof

According to Cialdini's (2007) well-cited definition of social proof it can be understood that "one means we use to determine what is correct is to find out what other people think is correct [...] We view behavior as more correct in a given situation to the degree that we see others

performing it” (ibid, pg. 116). According to Wooten and Reed (1998) social norms influence us because they provide us with a cognitive shortcut. “People accept information from others if it facilitates problem solving or help them cope with some aspect of their environment” (ibid pg. 80).

Researchers have found that there are two types of social proofs. According to Reno, Cialdini and Kallgren (1993), there are injunctive as well as descriptive social norms. The former refers to what people infer from others to stipulate approved or disapproved behavior. The latter refers to inferences humans make from others about the most efficient and most appropriate way of going about things (Reno, Cialdini & Kallgren, 1993). Deutsch and Gerard (1955) also make a distinction between two different types of social influences and call them normative and informational social proofs. Similarly to Reno, Cialdini and Kallgren, Deutsch and Gerard define social proof of the normative kind as behavior performed in order to conform to other people’s expectations and social proof of the informational kind as acceptance of the actions and behaviors of others as evidence of reality (Deutsch & Gerard, 1955). From here on out, the type of social proof from which people infer what others judge to be appropriate behavior will be referred to as *normative* and the type of social proof from which people infer how to behave will be referred to as *informational*.

The two different types of social influence often result in the same behavior but, according to research, the underlying causes for the behavior differs greatly between the types. Normative influence is derived from pressures to *comply* with and *conform* to others (Wooten & Reed, 1998). Behavior derived from compliance is motivated because the specific behavior is “associated with satisfying a self-defining relationship to this person or group” (Kelman, 1961. pg. 63). Normative social influence was what was at work in Milgram’s shock experiment and a further illustration of the spectacle can be found in Goldstein, Cialdini and Griskevicius’ (2008) study which found that hotels could decrease their carbohydrate footprint by including normative social proof appeals in their notes urging guests to re-use their towels.

The other type of social influence, informational social proof, is derived from a process of internalization in order to enhance a person’s knowledge about its environment from which the

very same person can then arrive at a conclusion of what behavior is suitable (Burnkrant & Cousineau, 1975). Informational social influence was what was at work in Milgram, Bickman and Berkowitz's bus stop experiment and a further illustration of this phenomena can be found in McGrath and Otnes' (1995) study on consumers' behavior in a retail context. The authors found that people step into roles of different personas depending on their surrounding. When in doubt about what to look for or purchase in a store, consumers sometimes step into the role of a persona the authors call 'the observer'. This person simply mimics other patrons' behaviors.

Determining what type of social influence is at work is not always as easy as in the above illustrations. Sometimes a mix of the types is employed which further complicates the tracing of what type is responsible for what outcome. In marketing messages it can be especially hard to determine if someone is influenced by other people's behavior or other people's opinions of how one should behave. For this reason, this thesis will only be interested in finding out if an e-newsletter receiver is influenced by others or not. From here on out, normative and informational influences will thus not be differentiated between. The notion of people being influenced by others will simply be referred to social proof.

Social proof's effect on human beings has proven to be relatively easy to explore in commerce as this setting is decisions intense and as a consequence the phenomena has been studied thoroughly. Zhang et al. (2014) studied the effect the sheer number of other patrons in a store has on a consumer while McGrath and Otnes (1995) studied the mimicking behavior consumers exhibit when in close proximity to consumers they perceived as similar to themselves. A popular area to study has been the effect social influence has on consumers' stated opinions and beliefs of products (Cohen & Golden, 1972; Burnkrant & Cousineau, 1975). These types of studies have also been conducted in the electronic area of commerce, namely in e-commerce. For example, Amblee and Bui (2012) showed that electronic word of mouth can be used as a socially generated reputation signal and to drive sales. As social proof has proven to greatly impact consumers and as it is relatively easy to incorporate in the world wide web, few online retailers today build websites without things like "consumer reviews" or sections of "customers who viewed this item also viewed:" (Nodder, 2013).

Further, research on social proof's affect on online consumer behavior has been studied in relation to group buying websites. Kuan, Zhong and Chau (2014) found that sites like Groupon.com and LivingSocial.com benefit in a two-folded manner from the number of purchases made as the greater the popularity of a product (the more previous purchases that were indicated), the greater the likelihood that the next consumer will purchase the product as well. Social proof has been studied in both on- and offline retail settings as well as in offline marketing communication but despite the widespread use of social proof appeals on websites, to the best of my knowledge, no studies have investigated the phenomenon in the context of electronic newsletter marketing.

### 2.1.2 Scarcity

Scarcity is often explained with the help of Cialdini's (2007) explanation of the phenomenon stating that "opportunities seem more valuable to us when their availability is limited" (ibid pg. 238). According to theory scarcity works on two levels, the first one being that of all influence principles: it provides the brain with a shortcut, allows it to make decisions without elaborate cognitive efforts being exerted (ibid). The second way scarcity appeals affect the human mind is explained by psychologist Brehm's reactance theory pointing at human beings' deeply rooted desire to preserve the privileges they have. Scarcity threatens our freedom of choice and when we stand to lose an option we react with the inclination of retaining that freedom leading us to desire the option, about to be made unavailable, more than we previously did (Brehm & Brehm 1981 cited by Cialdini, 2007).

Research conducted on scarcity in economic and retail settings divide the influence principle into two types – demand- and supply related scarcity. The main casual difference between demand and supply related scarcity is that while marketers steer the former, market forces drive the latter; a product or service is limited in its availability due to demand exceeding supplies (Aguirre-Rodriguez, 2013). The main psychological difference between how supply and demand related scarcity affect humans is that while supply related scarcity decreases a person's perceived choice set, demand related scarcity is a means for humans to understand how other consumers perceive offerings (Van Herpeti, Pieters & Zeelenberg, 2005; Aguirre-Rodriguez, 2013). Further, in the case of demand related scarcity, research has found that consumers interpret scarcity as a signal

of the product or service's popularity (Van Herpen, Pieters & Zeelenberg, 2005). Lee and Adewole (1975) found cookies from the same batch were rated significantly more favorable if they were presented in low volumes and if this was described as a consequence of the high demand for the cookies than when they were presented in high volumes. There is clearly a close link between demand related scarcity and the previously described notion of social proof. As these influences affect the human mind in such similar manners, this study will from here on out not focus on demand related scarcity but rather only on supply related scarcity.

From supply related scarcity, consumers often infer information about an offering's exclusivity. Research on this subject propose that consumers have learned that supply decreases as a result of an increase in demand and when it so does; price goes up (Lynn, 1992b). The desirability of items that are low in supplies is related to consumers' strive to consume these things that are now expensive as most people associate expensiveness with exclusivity and spend more than they have to on an item in order to increase their own status (ibid). The action of purchasing a product or service perceived as exclusive is derived from the consumers' aspiration to increase his or her own exclusivity (Gierl & Huettl, 2010; Van Herpeti, Pieters & Zeelenberg, 2005; Verhallen & Robben, 1994). According to Nathalie Nahai (2012) this is the primary reason why bidding wars on sites like Ebay get increasingly intense and fierce as the number of "watchers" increase and the expiration of the offer is approaching.

But it is not only for exclusivity matters we want what we cannot have. Theory on supply related scarcity has proven to hold in legalizing contexts as well. A prohibition of phosphate based cleaning supplies imposed in Miami did not only cause the majority of cleaning-supplies-shopping consumers in Miami to view phosphate based cleaning supplies as more favorable than they had before but also made people smuggle and stock up on supplies reportedly large enough to sustain a family up to 20 years (Mazi 1975 & Mazi et al. 1973 cited by Cialdini, 2007).

In commerce, the effects of supply related scarcity have, just like the effects of social proof, proven to be fairly easy to examine and thus a substantial body of research exists in this area. For example, Van Herpen, Pieters and Zeelenberg (2009) found that more people opt for a wine that is scarce in volume (more empty shelf space surrounding it) than a wine that the shelf is fully

stocked with. In e-commerce, supply related scarcity has also been investigated. Shu and Cheng (2012) found including scarcity appeals in messages, conveying the security level associated with credit cards use on e-commerce websites, produce higher levels of confidence in consumers than messages without. A study of the digital distribution of coupons by Aguirre-Rodriguez (2013) found that consumers perceived demand related scarcity appeals as more deceptive than supply related appeals. Like with social proof, scarcity has been studied in on- and offline retail settings and in the area of offline marketing communication as well. However, to the best of my knowledge, no scarcity related studies have been conducted in the context of e-newsletter marketing.

### **2.1.3 The Moderating Effect of Product Relevance**

Research has shown that both social proof and scarcity appeals affect consumers in different ways depending on what type of product the appeals refer to (Aaker, Batra & Myers, 1992) – depending on the *relevance* of the product for the consumers. For studies on influence principles it is therefore important to reflect upon these differences and include different products in examinations. A central notion in marketing literature is that the level of involvement a consumer has to a certain product or message affects his or her decision process and information search (Petty et al., 2005). This theory is captured in the Elaboration Likelihood Model (ELM) taking off in the same belief as theories on why influence principles affect human beings; people cannot feasibly contemplate every piece of information that they are faced with in an elaborate manner, but rather, must resort to taking cognitive shortcuts to arrive at a decision or attitude (Petty et al, 2005). According to the ELM, people either conclude on something by carefully contemplating information (taking the central route to persuasion) or by relying on cues and previously held beliefs (taking the peripheral route to persuasion) (ibid). It is a person's motivation and ability to contemplate what he or she has been presented with that determines which route will be taken. As there are important differences between situation or decision involvement and product involvement (Mittal & Lee, 1989; Petty et al., 2005) it is important to either keep the two matters apart or clearly define which one the focus is on. In this study, for reasons related to the manner in which the research question will be explored, only product involvement is of interest.



The level of cognitive elaboration consumers will exude hinges on the relation the consumer has to the product of interest; it depends on the product involvement the consumer experiences. Product involvement is the perceived value (the extent to which the good in question meets the consumers' values and goals) of the product that manifests as interest in the product (Mittal & Lee, 1989). The interest a consumer has in a product is also closely related to what category of motivation the product falls within for the consumer. In addition, according to Mittal and Lee (ibid) the goals that call on consumers to acquire, possess and/or consume a product can be divided into three categories of motives: hedonic motives – the product brings the consumer pleasure, utilitarian motives – the product is of functional value for the consumer and social-concept/impression management motives – the product has symbolic value to the consumer and is used to express him or herself.

In this study, product involvement's relation to the assumed affect social proof and scarcity appeals have on consumer behavior will be researched and referred to as *i) product involvement*. In addition to this, product relevance will further be explored in two more parts derived from Mittel and Lee's (1989) motivational categories mentioned above. As research often place hedonic and utilitarian products on opposite ends of the same continuum (Hirschman & Holbrook, 1982; Dhar & Wertenbroch, 2000) these two motives will be studied in relation to each other and be referred to as *ii) hedonic/utilitarian motives*. Social-concept/impression management will be studied in relation to if a product is of the conspicuous kind or not and will be referred to as *iii) conspicuous/non-conspicuous motives*. The product categories of interest are discussed in the next section.

#### **2.1.3.1 Product Involvement**

According to research on the link between product involvement and influence principles, consumers' propensity to seek additional information about a product or brand is dependent on their level of involvement with the product (Zaichkowsky, 1985; Assel, 1981 cited by Laurent & Kapferer, 1985). Research suggests that people are more interested in marketing messages related to products they experience high-involvement with (Mittal & Lee, 1989). As one of the research questions this study sought to answer is related to this ("Do social proof and scarcity

appeals affect consumers' interest in e-newsletters?"), the potentially moderating effect level of involvement has on persuasion was deemed important to explore.

### 2.1.3.2 Hedonic/Utilitarian Motives

According to research on the link between motives and reactions to marketing messages, depending on if the motives that lie behind a purchase or consumption are hedonic or utilitarian, consumers will react starkly different (Pelsmacker, Geuens & Bergh, 2010). While a hedonic good provides experiential consumption and is primarily characterized by the associated sensory experience of aesthetics associated with the good (Hirschman & Holbrook, 1982), a utilitarian good provides instrumental and functional consumption and is primarily characterized by the usefulness of or benefits associated with the good (Aaker, Batra & Myers, 1992; Strahilevitz, 1999). While hedonic goods are products we *want* to buy or consume, utilitarian goods are products we know we *should* buy or consume (Dhar & Wertenbroch, 2000). Rossiter and Percy (1987) introduced a product-classifying grid that differentiates between the motives behind purchases and the level of involvement usually exerted in relation to the product. Rossiter and Percy refer to "think" motivated products as informational products that are purchased or consumed to satisfy a need for the consumer to compensate for a fall *below* equilibrium. Products closely related in underlying consumption motives to informational products are in this thesis referred to as utilitarian goods. The authors refer to "feel" motivated products as transformational products purchased or consumed to leverage the consumer *above* equilibrium. Products

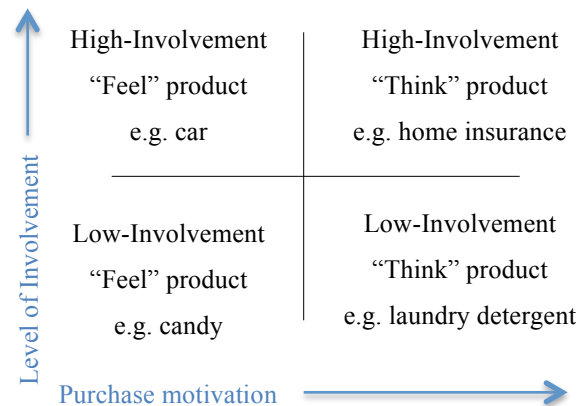


Figure 1: Rossiter and Percy Grid (1987)

closely related in underlying consumption motives to transformational products are in this thesis referred to as hedonic goods.

### 2.1.3.3 Conspicuous/Non-conspicuous Motives

Product relevance for goods that are socially visible differs greatly from product relevance for goods that are not (Gierl & Huettl, 2010). Socially visible products or, conspicuous consumption

goods as they are referred to in literature, are items that satisfy social needs such as status symbols, products used to express uniqueness and products used to express conformity to social groups (ibid). According to Gierl and Huettl (2010) the effect marketing messages including scarcity appeal have on consumers is dependent on to what extent the good, that the message refers to, is a conspicuous consumption good. As the social aspect is highly relevant in this thesis, in addition to the product categories put forth in the Rossiter and Percy grid (1987), conspicuous and non-conspicuous goods will also be included.

## **2.2 MEASURING MARKETING EFFECTS - AIDA AND OBJECTIVES**

How to measure the effect of marketing messages is an on-going debate with no clear answers around. On the one hand there are the quantitative researchers meaning that the sales effects should be included in the determination of the success or failure of a message. These researchers point at the importance of measuring the effects of any communicative message against the organization's marketing objectives the message was created to achieve (De Pelsmacker et al., 2010). On the other hand there are researchers pointing at the importance of incorporating mind-set metrics such as awareness, perception, attitude and intention (Srinivasan, Vanhuele & Pauwels, 2010). Such mind-set metrics are the foundation which hierarchy of effect models, that are often employed, are based upon. The first ever to be developed of its kind was the framework developed by St. Elmo Lewis. His model measures the effect a marketing message has on its receiver at each and every hierarchy step the receiver processes the message on (Strong, 1925a cited in Barry, 1987). To side with one camp in the debate, was for this thesis, not necessary as the steps in Lewis' framework – to attract attention, maintain interest, create desire and prompt action, align well with the most commonly cited organizational objectives of sending e-newsletters to consumers, namely to attract attention with the subject line, create interest in the message and have the receiver taken an action (MailChimp, 2014; Miquel-Romero & Adame-Sánchez, 2013). For this reason, Lewis' framework, which captures these organizational objectives, will be used to measure the affects social proof and supply related scarcity appeals in e-newsletter subject lines have on consumer behavior. Below, what each of the hierarchy of effect model steps means for the purpose of this study is described.

### 2.2.1 Step One - Attention

The importance of an e-newsletter's subject line's ability to attract the attention of a subscriber becomes apparent when peeking through the average subscribing consumer's inbox which, every month, is flooded with hundreds of commercial email messages (Return Path, 2014). Even though it could be argued that attracting attention is the most important objective of an e-newsletter send out, it was in this thesis omitted as the study put the receiver in a situation where the focal point was only one e-newsletter, ensuring attention.

### 2.2.2 Step Two - Interest

As antecedent step was omitted from this study, step number two, to "maintain interest", was altered to better fit the situation of a simulated receiver reaction. Step two in this thesis was therefore to *create* interest. For this thesis, to create interest for the marketing message meant that the receiver reacted to the subject line with interest. From a marketing objective standpoint creating interest for the marketing message has proven to be an important objective to achieve (Machleit, Madden & Allen, 1990).

### 2.2.3 Step Three - Desire

For this thesis, to create desire meant creating a desire for the receiver to open the e-newsletter. Desire to do so has by research proven to be derived from, for one, an interest in the content of the message (Miquel-Romero & Adame-Sánchez, 2013). The marketing field has during recent years spent a great deal of attention on something called "content marketing" as there is a widespread belief that consumers respond better to content which they perceive to be of value to them, it is believed that this is what gets consumers on the "hook" (BtoB and Percussion, 2012). Desire to open the e-newsletter was thus assumed in this thesis to be closely related to how interesting and valuable the receiver perceived the *content* to be.

### 2.2.4 Step Four - Action

For this thesis, the final step of prompting action meant that the receiver opened the e-newsletter. As the technical aspects of the thesis did not allow for this to be measured, a proxy for action, namely intention, was used. Intention to act is by Söderlund (2001) defined as the individual's conscious aim to perform a future action. According to De Pelsmacker, Geuens and Van Den

Bergh (2010) for consumers interacting with a product, which they experience as highly involving, action intention is a crucial step which mediates attitude and actual action. The final step in the hierarchy of effects for this thesis was thus referred to as receivers' intentions to open the message.

## 2.3 HYPOTHESES GENERATION

### 2.3.1 Interest in the E-newsletter

Even though the cognitive shortcut social proof is most often described to affect us in moments of decision making it actually affects us long before we are aware of the fact that we are faced with a decision. The Milgram, Bickman and Berkowitz's (1969) bus stop experiment pointed at the effect more and more sky viewers had on people in their immediate surrounding but it also pointed at the fact that we do not only infer that what other people are doing is the right thing to do, we are inherently *interested* in what other people are interested in or behaving in accordance with. Because we are keen to find out how other people are behaving, we physically trace patrons in stores (McGrath & Otnes, 1995), we interact with products we would not have had other patrons not been around (Zhang et al., 2014) and online we orient ourselves to offers that many others are viewing (Nahai, 2012; Lou et al., 2013). With this knowledge of how social proof affects the interest of human beings it was hypothesized that:

---

*H1. Including social proof appeals in subject lines increases receivers' interest in the e-newsletter*

---

Theory on supply related scarcity tells us that scarce objects are desirable in part because they activate our fear of losing our choice of freedom (Cialdini, 2007). Because it is in our evolutionary interest to reestablish this freedom we become interested in the object of scarcity (Brehm & Brehm 1981 cited by Cialdini, 2007). Furthermore the theory tells us that consumers infer from messages conveying the scarcity of an object, that the object is exclusive (Verhallen & Robben, 1994). Most consumers are intrigued by exclusivity (Lynn, 1992b) and when enlightenment of an offer's exclusivity is brought to a consumers' attention, a growing interest in the offer is often reported (Mazi 1975 & Mazi et al. 1973 cited by Cialdini, 2007). Because supply related scarcity affects interest in these manners it was hypothesized that:

---

***H2. Including supply related scarcity appeals in subject lines increases receivers' interest in the e-newsletter***

---

### **2.3.2 Desire to Open the E-newsletter**

Research points at the unmistakable link between other people's opinions and a consumer's own opinions when it comes to evaluations of offerings (Cohen & Golden, 1972; Burnkrant & Cousineau, 1975). But people are not only influenced by others they even adopt the opinions of others (ibid). Fellow patrons' opinions are taken as evidence about the truth of a retail phenomena (Burnkrant & Cousineau, 1975). Further, the information about what other consumers think of something is of out most value to us (McGrath & Otnes, 1995) as we want to know what other people know and because we project that an item is worthy of acquiring if others are purchasing it - we want the things that other people want. This is very much evident online where on websites like Ebay, the bidding on an offer becomes increasingly intense the more viewers the offer has (Nahai, 2012). Considering the effect social proof has on people's desire to obtain information and/or consume what others are consuming it was hypothesized that:

---

***H3. Including social proof appeals in subject lines increases receivers' desire to open the e-newsletter***

---

From theory on supply related scarcity it can be understood that consumers perceive an item available in scarce quantities or for a limited period of time, as valuable to them because purchasing or consuming the offering is seen as a restoration of the freedom of choice that looms (Gierl & Huettl, 2010; Van Herpeti, Pieters & Zeelenberg, 2005). Because a scarce phenomenon is perceived was valuable it is hypothesized that:

---

***H4. Including supply related scarcity appeals in subject lines increases receivers' desire to open the e-newsletter***

---

### 2.3.3 Intention to Open the E-newsletter

Studies on social proof have arrived at the conclusion that some human behavior is motivated by a need to conform to or comply with social groups, often for self-defining reasons (Kelman et al., 1961). According to the theory of goal directed behavior, this is not too surprising as we have a deeply rooted need for social conformity and acceptance (Gilbert, Fiske & Lindzey, 1998) and as it thus is a goal for us to conform and be accepted, we steer our behavior in accordance to these goals (ibid). We follow the same paths in stores as others (McGrath & Otnes, 1995) and we buy what other people buy (Luo et al., 2013). We simply allow social influence to dictate what actions we take (Burnkrant & Cousineau, 1975; Goldstein, Cialdini & Griskevicius, 2008). Considering the powerful effect social proof has on human behavior it was hypothesized that:

---

***H5.** Including social proof appeals in subject lines increases receivers' intention to open the e-newsletter*

---

Studies on supply related scarcity have found that even when a satisfying enough and cheaper option is available, people will spend more money to obtain an item which is deemed more exclusive because of its scarcity (Lynn 1992b). Again, considering the theory on goal-directed behavior (Gilbert, Fiske & Lindzey, 1998) it is no surprise that people let their preference for scarce objects be manifested in their consumption behavior. With this in mind it was hypothesized that:

---

***H6.** Including supply related scarcity appeals in subject lines increases receivers' intention to open the e-newsletter*

---

## 2.4 SUMMARY OF HYPOTHESES

---

***H1.** Including social proof appeals in subject lines increases receivers' interest in the e-newsletter*

***H2.** Including supply related scarcity appeals in subject lines increases receivers' interest in the e-newsletter*

*H3. Including social proof appeals in subject lines increases receivers' desire to open the e-newsletter*

*H4. Including supply related scarcity appeals in subject lines increases receivers' desire to open the e-newsletter*

*H5. Including social proof appeals in subject lines increases receivers' intention to open the e-newsletter*

*H6. Including supply related scarcity appeals in subject lines increases receivers' intention to open the e-newsletter*

---

### 3. STUDY 1

Before the main research question of this thesis could be answered it was considered important to determine what *type* of e-newsletters are actually being sent out to consumers. Study 1 was therefore performed. As the main purpose of Study 1 was to feed results into Study 2, Study 1 will not be discussed in all aspect that Study 2 will. This third section of this thesis will explain the problem area, define the research question, define the expected knowledge contribution, the delimitations of Study 1, the methodology used to study e-newsletter content types, discuss data quality, present results and discuss them as well as managerial implications and future research directions.

#### 3.1 PROBLEM AREA

It is no news that human beings react to different types of information in starkly different ways. Nor is it hard to imagine that consumers do so when the communication comes to them in the shape of an e-newsletter. What can be a tad surprising however are the effects these differences can translate into for businesses. Take the case of Marriot International for example. They found that by changing the content in their Rewards e-newsletters they could increase revenues from the messages by up to 25% (Levey, 2011). While some marketers create e-newsletter content packed with advice and support concerning a specific matter common to their target audience (McEleny, 2010), others create e-newsletters with content primarily concerned with the availability of their products or services (Cassell, 2011). Knowledge about what content generates what behavior is evidently of great importance for marketers to know. As there today



exists no widespread, general understanding of what different content types there are, it was deemed of high importance to conduct a study to discover this.

### 3.1.1 Research Question

The research question Study 1 aspired to answer was “What different types of e-newsletter contents are being sent to consumers in Sweden?” In order to answer this question, content found to be sent out by marketers was classified into categories of content types.

## 3.2 EXPECTED KNOWLEDGE CONTRIBUTION

The expected knowledge contribution of Study 1 deviated from the ones of the entire thesis and is therefore presented on its own. To the best of my knowledge no academic studies have been conducted on the topic of what different types of e-newsletters contents there are. Furthermore, no scientific attempts have been made to categorize the different types of e-newsletter content that, by marketers and for marketing purposes, are being sent to consumers. This study will contribute to the field of email marketing by filling this gap. As no previous studies are available to model the classification of the various e-newsletter content types after; Study 1 also proposes a methodology that future classifications of e-newsletter content types could replicate.

## 3.3 DELIMITATIONS

Some delimitations that only concern Study 1 are discussed here. First of all, when Study 1 was conducted, the plan was for Study 2 to take on the shape of a field experiment in collaboration with Swedish e-commerce companies. Because Study 2 was planned to be conducted in Swedish, Study 1 was limited to exploring what different e-newsletter content types companies send to Swedish consumers. Due to the fact that Study 1 was conducted as an intermediary study meant to feed results into Study 2, the content types which the analysis was to result in were few and broad groups of content types. A more fine-grained categorization of data might reflect the truth in a better way. Further, some delimitations of Study 1 concerned the time period during which data was collected, the number of companies that were chosen to represent the population Study 1 tried to generalize about and *which* companies were chosen to be included in the study. The last three delimitations are discussed in greater detail under 3.5 Preparatory Work.

### 3.4 METHODOLOGY

#### 3.4.1 Scientific Approach and Overall Research Design

As mentioned before, no bodies of theories specifically related to the categorization of e-newsletter content, sent for marketing purposes, exist today from which a hypothesis could be generated. Therefore Study 1 took on an inductive research approach meaning that the research question was sought to be answered by examinations and interpretations (Barbour, 2014). Furthermore Study 1 took on a cross-sectional design as several data points were collected and compared in order for patterns of association to be detected (Bryman & Bell, 2011). As the research question indicates, e-newsletter content was what was to be studied in Study 1. As the objective was to reduce large amounts of texts into manageable and comparable pieces of data, a content analysis was deemed suitable (Flick, 2014). As the thematic interpretations of e-newsletter contents was what was of interest to find, the coding of the analysis had to be focused on interpreting the *latent*, rather than the manifest, content (Bryman & Bell, 2011). It was therefore obvious that the researcher's interpretation rather than pure objectiveness (such as word count and subject gender identification) was what would guide the coding scheme. The analysis was thus of qualitative nature.

One of the chief benefits of conducting a content analysis is that the method, by its very nature, is unobtrusive. Once human beings are involved, and made aware of the fact that they are, in management or business research, there is always a risk that the results be contaminated by the so-called Hawthorne effect (Roethlisberger & Dickson, 1939). Conducting a content analysis rather than interviewing marketers composing e-newsletters for a living was therefore preferable from a statistical point of view. Furthermore, the collection and analysis of the content studied in Study 1 was not embarked on until after the content had been issued by the various companies. This meant that the marketers composing the e-newsletters were not aware of the study when the messages were composed, further decreasing the risk of humans contaminating the results of the study, a positive effect of the type of analysis chosen. Qualitative studies are often criticized for their lack of transparency and difficulty to replicate. Content analyses with thoroughly developed coding schemes allow for the addressing of this qualitative-related concern. The allowance for heightened transparency and replicability thus further increased the attractiveness of the method chosen (Bryman & Bell, 2011).

### 3.5 PREPARATORY WORK

When it came time to determine the sample source and size, informed judgment guided the decisions as no previous, similar studies were available for indications of appropriate dimensions of the sample. Applying informed judgment as a method for establishing the sample size is common for content analyses as it, to a large extent, is the research question that determines the needs of the study (Bryman & Bell, 2011). Collecting a large enough body of e-newsletters from a diverse enough pool of companies was set out as the ultimate goal for the collection. Preparations for Study 1 were carried out in two steps of preparatory work. The first step entailed determining the dimensions of the sample and the second step, collecting the data. The two steps are described below.

#### 3.5.1 Preparatory Step 1 – Determining Sample Dimensions

A stratified random sampling approach was chosen for the selection of which companies' e-newsletters were to be analyzed. The population was defined as e-commerce companies operating in Sweden, offering consumers the ability to subscribe to their e-newsletter list and when sending e-newsletters, composing subject lines in Swedish. The first criteria of the definition of the population stemmed from the fact that Study 2 was planned to be performed in collaboration with Swedish companies. The last criteria in the definition was a consequence of the first as many Swedish companies send e-newsletters in Swedish. Composing subject lines in Swedish is in line with industry best practices recommending companies to compose their messages in the language most their receivers has as native tongue as this has proven to significantly increase receivers engagement with the message (Cui, 2013).

To adhere to one of the main objectives of keeping the sample diverse enough, it was established that proportional representation from different industries within the Swedish e-commerce sector should to be strived for. Therefore, the population was stratified by the criteria of operating within different industries. The list of industries the population was divided into was taken from 2013's edition of the report 'Svensk E-handel' (DIBS Payment Services, 2013). DIBS, which publish the report, divide Swedish e-commerce into the industries of electronics, traveling services, health products, consumables, media, services, home décor, clothes and shoes. In table 1 these industries and the description of them is presented. It was decided that the data from at

least one company from each industry was to be analyzed. In addition to this, it was decided that industries hosting widely different offerings were to, in the sample, be represented by more than one company in order to ensure a broader representation of the products and services offered to Swedish consumers via email marketing.

Industry	DIBS description
Electronics	TV, computers, cell phones
Traveling services	Flights, hotels, public transports
Health products	Medicines, pharmaceutical products, health and beauty products
Consumables	Household products, drinks, food, flowers
Media	Event tickets, apps, music, film, books
Services	Insurances, phone services, financial services, public sector
Home décor	Gardening products, furniture, kitchen appliances
Clothes and shoes	Clothes, shoes, jewelry, watches, sporting goods

Table 1

Information about what companies, in each stratified industry, offer their website visitors the ability to subscribe to e-newsletters was not readily available information and as gathering this information, for the purpose of this master thesis, was not regarded as feasible, the population was classified as unknown. This in turn meant that neither random- nor systematic sampling could be achieved (Bryman & Bell, 2011). To, in spite of this, ensure validity, a systematic approach for the selection of samples to analyze e-newsletters from was developed (Bryman & Bell, 2011). John Scott's (1990) criteria for document quality assessment were employed to establish a guide for the selection of companies. Companies' e-newsletters had to fulfill the four criteria Scott means evidence, from which an analysis will be made, should meet: *i) authenticity*, *ii) credibility*, *iii) representatively* and *iv) have meaning* (ibid). Table 2 shows a list of the criteria and their definitions. It was determined that only companies whose e-newsletters fulfilled these criteria were to be included in the analysis of Study 1.

Evidence criteria	
i) Authenticity	The evidence should be genuine and of unquestionable origin
ii) Credibility	The evidence should be free from error and distortion
iii) Representatively	The evidence should be typical of its kind and if not, to what extent should be known
iv) Meaning	The evidence should be clear and comprehensible

*Table 2*

With the first sample dimension determined, focus was shifted to determining the timeframe for the collection period. For reasons connected to the common business cycle of Swedish e-commerce firms, where many companies follow the Gregorian calendar holding summer-, winter and midseason sales, it was rationalized that the ideal collection period was one full year. However, the ability to gain access to e-newsletters from at least one company from within each strata sent up to a year prior to the study was regarded as minimal after some investigation. Despite this it was still considered of importance that the body of e-newsletters was collected during a long enough interval for the sample to reflect as much business seasonality as possible. The ideal time frame of one year was therefore split into parts that made sense from a business perspective. A financial quarter was concluded on. As the quarters by which businesses most commonly report their financial proceedings are set to January-March, April-June, July-September and October-December and this unfortunately did not coincide with the time period of the writing of this thesis, some leeway had to be infused into the definition of a financial quarter. A quarter was, for the purpose of this study, defined as a period of time of three consecutive months.

To summarize, Preparatory Step 1 for Study 1 determined that e-newsletters to be included in the study had to fulfill Scott's (1990) criteria for evidence, represent, by at least one company, all eight industries DIBS (2013) divide Swedish e-commerce companies into and the timeframe for the collection of the data was set to three consecutive months.

### 3.5.2 Preparatory Step 2 – Collecting Data

As mentioned before, some compromises away from the ideal data collection time period had to be made due to the scheduling of the master thesis. As this very same schedule did not leave

room for a three month long data collection period and as the data had to be ready for analysis by September of 2014; *previously* sent e-newsletters were collected as data. The three-month period was determined to be the most recent one of June - August of 2014.

As this time period was not decided upon until after it had passed (preparations for Study 1 were not undertaken until the very end of the period, i.e. late August 2014) the collection of e-newsletters had to, to some degree, suffer from convenience sampling. Ideally, the method of stratified sampling should have seen random- or systematic sampling as the stratifications successor (Bryman & Bell, 2011). However, the ability to gain access to e-newsletters already sent by companies restricted from which companies data could be obtained and convenience sampling had to be succumbed to. E-newsletters sent between June 1<sup>st</sup> and August 31<sup>st</sup> were collected from companies I myself, my family members and friends, had been subscribed to during this period of time.

Representation of each strata was ensured from all industries but one, electronics. To make up for the lack of e-newsletters from this industry, I myself signed up to receive e-newsletters from one, randomly selected, company selling electronic gadgets as specified by DIBS (2013). The collection period for these e-newsletters was September 1<sup>st</sup> to September 30<sup>th</sup>. As this fell outside the time period set out for Study 1, this data was not included in the main analysis. The data was however analyzed and checked in accordance with the coding scheme in order to detect if the data from this industry behaved significantly different from the data from other industries. Table 3 depicts the complete list of companies that represented each strata. Clarifications of what type of good or service the company selected offers as well as how many e-newsletters the companies sent to their subscribers during the collection time period, is also listed.

DIBS industry	Company	Product/service offerings	Number of e-newsletters sent
Electronics	Elgiganten	Household products, appliances, radio, TV- and music systems, PCs, telephones, cellphones and accessories	12*
Traveling services	Ticket.se	Travels and travel-related services	27
Health products	Apoteket hjärtat	Pharmaceutical products and services	4
	Glossybox	Beauty products	13
Consumables	Willy's	Everyday commodities	16
	Interflora	Flowers, indoor plants, accessories and mediation services	3
Media	Adlibris	Physical and electronic books and multimedia	32
	Film2home	Rental film service	14
	Nöjesguiden	Event information	5
Services	Telia	Telecom services	2
	Bookatable	Restaurant booking service	54
Home décor	Clas Ohlson	Department store catalog products	6
	Cervera	Glass, porcelain and interior products	9
	Plantagen	Gardening products and plants	23
Clothes and shoes	Lindex	Womens', mens' and childrens' clothing	15
	Runners' store	Sporting goods	8
<b>TOTAL</b>			<b>231**</b>

*Table 3 - All information from (Allabolag.se, 2014)*

\* Data was collected between September 1<sup>st</sup> and 30<sup>th</sup>, 2014 and not included in study for more than the purpose of attempting to ensure strata does not differ significantly from other samples

\*\* Total does not include e-newsletter count from industry Electronics

### 3.6 THE MAIN STUDY

#### 3.6.1 The Qualitative Content Analysis

What to look for in a content analysis is, as pointed out by Bryman and Bell (2011) “profoundly affected by the nature of the research question under consideration”. Content analyses with qualitative elements conducted before this one have made use of Altheide’s (1996) approach of ethnographic content analysis (ECA). Studies performed according to ECA often have a set of predefined categories with which the researcher begins but as more and more content is analyzed, the approach allows for pre-defined categories to be altered or even removed as well as for new categories to be added (Altheide, 1996). The aim of ECA is for the researcher “to be systematic and analytical but not rigid” (ibid.) in his or her approach to qualitative content analysis. ECA provided a statistically sound way for the data in Study 1 to be analyzed. Of course, no matter how frequently used or widely accepted, no analytical method should go

without criticism and in the case of the ECA, considerable attention should be paid to the qualitative nature of the approach (Bryman & Bell, 2011). As mentioned before, a well defined and worked out coding scheme was one step taken to minimize the impact of the negative drawbacks the approach could potentially have had on this study.

### **3.7 ANALYTICAL TOOLS**

#### **3.7.1 The Coding Scheme**

A coding scheme was constructed for reasons pertaining to the upholding validity of the content analysis. A coding scheme is made up of two parts: a coding schedule specifying the variables to be considered in each evidence included in the analysis, and a coding manual instructing the coder how to, with the help of a set of written rules, classify the evidence (Bryman & Bell, 2011). Information for each new e-newsletter content type, added to the set of possible classifications, was recorded in the coding schedule and the coding manual as soon as the type was added. If a classification was revised or removed, the coding schedule and the coding manual were updated to reflect the change.

The issue of interpretation errors arising from differences between human interpretators was in this case not a problem as only one person interpreted the data thus inter coder reliability was established (Bryman & Bell, 2011). However, as the amount of data points called for several sessions of interpretation, the coding manual was looked over before each session and was also used to provide consulting guidance when data was especially difficult to classify. The coding schedule ensured only variables deemed interesting for the purpose of the classification of the e-newsletter content types were recorded and thus interpretations distorting the purpose of the study were eliminated.

##### **3.7.1.1 The Coding Schedule**

Four variables relating to every e-newsletter analyzed were documented: *i)* who the sender of the e-newsletter was, *ii)* within which industry, according to the DIBS industry classification, the sender operated in, *iii)* what date the e-newsletter had been sent and *iv)* what type of content the e-newsletter contained. The coding schedule is depicted in table 4.



Number	Variable
i	Sender
ii	DIBS industry classification
iii	Date
iv	Content

*Table 4 – The Coding Schedule*

### 3.7.1.2 The Coding Manual

What code represented the different information pieces to be determined for each of the variables in the coding scheme was explained in the coding manual in order to allow for the content to be coded in a consistent manner. Variables *i*, *ii* and *iii* were relatively objective pieces of information for the coder to interpret while variable *iv*, content, urged for a more subjective interpretation of the content. How types of content were to be categorized was determined as the analysis was underway, in true ECA style. First a brief description of each e-newsletters content was recorded and as the list of all descriptions was visited again, classification begun. The way in which the analysis was conducted meant that as more and more e-newsletters were being analyzed, common distinguishable features in their content brought forth natural ways to differentiate between the different types of e-newsletters.

To ensure the coding manual was reliable, the initial classifications of the e-newsletter content types were more detailed than the purpose of conducting Study 1 called for. This was done in order to ensure all categories presented were mutually exclusive and collectively exhaustive (Bryman & Bell, 2011). Just like the final categories assigned to each e-newsletter, the classification of this initial step proceeded in the same manner - categories came about organically as the analysis progressed. The first-round categories were never coded with numbers, just words. Once all e-newsletters belonged to a category the next round of classification began. Again, for the purpose of Study 1, the e-newsletter content types were desired to be few and general, thus step two of the classification entailed aggregating several categories. The initial step of the classification was carried out for validity reasons pertaining to the fact that without a deeper level of details of each content type, the coding manual would be

hard to make use of. The coding manual presented in Appendix I provides descriptions of what characteristics content belonging to the different categories found in Study 1 has.

### 3.8 DATA QUALITY

The need for reliability and validity measures of qualitative studies to be altered compared to quantitative studies, has long been debated. One generally accepted way of arguing for the need of alterations is that there are no absolute truths in observations of the social world. Therefore, some researchers say, the assessment of qualitative studies should be measured on credibility, transferability, dependability and conformability; all of which refer to the *trustworthiness* of a study (Guba & Lincoln, 1994).

#### 3.8.1 Credibility

The trustworthiness of the study depends upon the determination of the researcher's approach and understanding of the observations being accepted by others (Bryman & Bell, 2011). The credibility of the way the study was conducted was ensured in Study 1 by adhering to the generally acceptable ways of conducting an ECA (Altheide, 1996). Ensuring credibility by obtaining respondent validation was not regarded suitable in Study 1 due to limited resources and ability to cooperate with all senders of the data. As respondent validation was not possible to obtain but credibility was still sought to be ensured, special attention was paid on balancing the degree of details data was described with. On the one hand details were needed in order for the coding manual to be helpful to the coder and to ensure replicability and on the other hand a great level of detail drawn from the information was perceived to increase the risk of interpretation errors, confusing future researchers. The coding manual was thus prepared with the intent of striking a balancing between detail levels needed and finding mutually exclusive and collectively exhaustive categories and classifying categories on the basis of easily distinguishable and easily observable differences between the objects of study. Credibility of Study 1 is considered high.

#### 3.8.2 Transferability

The degree to which descriptions of the context of the study allow others to make judgments about whether or not the findings in the study holds in other contexts (Bryman & Bell, 2011). To ensure transferability great effort and attention to detail was spent on describing the context

within which the study took place as well as the objects chosen for observation. Transferability of Study 1 is considered high.

### 3.8.3 Dependability

The degree to which records of all phases in the process of the study are being kept in an accessible manner and presented to peers for “auditing” (Bryman & Bell, 2011). As noted by Bryman and Bell the peer auditing part of dependability is problematic as it is demanding for peers to perform. For the purpose of a master thesis it is especially hard to achieve. Although complete and fine-grained peer auditing was not achieved, records of all phases of the study were documented and made easily accessible. Dependability of Study 1 is considered somewhat problematic.

### 3.8.4 Confirmability

The degree to which the researcher can be proven to have acted in good faith and has not overtly let personal values affect the research and its derived findings (Bryman & Bell, 2011). The findings of Study 1 were briefly mentioned in tutor guidance. This is the only way it was ensured that personal values and theoretical inclinations did not affect the study’s process or outcome. Confirmability of Study 1 is therefore considered low.

## 3.9 RESULTS AND ANALYSIS

The results from Study 1 indicate that there are three major groups of e-newsletter content types: Promotional Information, Special Offers and Sale Information. Table 5 lists an example of each e-newsletter content type found in the study.

E-newsletter content type	Example
Promotional Information	E-newsletter content communicating the arrival of a new product
Special Offers	E-newsletter content communicating the terms and conditions of an offer available for a relatively short, limited time
Sale	E-newsletter content communicating the start of a sale which will be in effect for a relatively long period of time

*Table 5*

A frequency analysis showed that the 231 e-newsletters analyzed contained a total of 321 content types. A breakdown of the percentages of representation of each e-newsletter content type can be seen below.

Promotional Information	Special Offers	Sale Information	Total
109	201	11	321
34%	63%	3%	100%

*Table 6 – E-newsletter type representation*

61% of the e-newsletters analyzed in Study 1 contained only one content type. The most frequently represented content type was Special Offers followed by Promotional Information and then Sale Information. A breakdown of the percentages of representation of each content type detected from the e-newsletters that only contained one type of content can be seen below.

Promotional Information	Special Offers	Sale Information	Total
26	112	3	141
18%	79%	2%	100%

*Table 7 – E-newsletters communicating one type of content (61% of all e-newsletters)*

39% of the e-newsletters studied in Study 1 contained two content types. No data analyzed in Study 1 contained more than two content types. The content type Special Offers was together with the content type Promotional Information, the most commonly detected combination of content types. A breakdown of the percentages of representation of each pair of content types detected from the e-newsletters containing two types can be seen below.

Promotional Information and Special Offers	Promotional- and Sale Information	Special Offers and Sale Information	Total
82	1	7	90
91%	1%	8%	100%

*Table 8 - e-newsletters communicating two types of content (39% of all e-newsletters)*

The results from the e-newsletters analyzed on the sideline of the above-presented data, the e-newsletters sent from the Electronic industry, did not differ in any qualitatively detectable way from the other data points. This data is still omitted from discussions below.

### **3.10 DISCUSSION**

As the primary purpose Study 1 was conducted for was to be able to explore the main research question of this thesis in a more elaborate manner, the discussion of Study 1 will be kept short and will only touch upon areas that were of interest to discuss before conducting Study 2. The results from Study 1 report what different types of e-newsletter contents were sent by the sampled companies during the time period of interest. In addition to this, how frequently each type was sent was also reported by the results of Study 1. Although Study 1 suffers from statistical hiccups mentioned under 3.3 Delimitations and 3.5 Preparatory Work, the results can be generalized as the data is of high quality. This was concluded in section 3.8 Data Quality (Guba & Lincoln, 1994).

#### **3.10.1 The Different Types of E-newsletter Contents**

The resulting classification of e-newsletter content Study 1 presents, were arrived at by a qualitative content analysis approach. Because of content analyses' high dependency on subjective inferences it is not unlikely that future studies would present different types of e-newsletter content classifications. However, as the method by which the results of Study 1 were concluded upon is statistically sound (Altheide, 1990), future researchers would likely be of the same understanding, as Study 1, of what comprises each content type. What can be said then about the three e-newsletter content types that Study 1 reports e-commerce firms, doing business in Sweden, send their subscribers?

##### **3.10.1.1 The frequency of the Representation**

As the results of Study 1 reports, the e-newsletter content type Special Offers was represented most frequently. From this it can be inferred that Swedish e-commerce firms, employing email marketing, communicate information about special offers more than any other information. It is worth mentioning again that the types of e-newsletter contents presented in Study 1 are broad and general which means that, during the analysis, subcategories for each content type were

aggregated into groups of content types. This in turn means that the content types presented in Study 1 are not as fine-grained and detailed as they perhaps deserve to be. This could be an underlying reason for the overrepresentation of the e-newsletter content type Special Offer.

Furthermore, included in the content type Special Offers are e-newsletters communicating information about competitions. These types of campaigns admittedly often drive sales by making purchases prerequisites for participation, but they often also aim to stimulate consumer engagement. As consumer engagement is something most firms want unlimited amounts of and as it is something that can be generated relatively cheap, it is not surprising that messages of this kind are sent out often.

Sale Information was the e-newsletter content type represented the least in the study. This is likely due to the fact that sales are not highly reoccurring events. The delimitation of Study 1, which refers to the time period during which data was collected, likely affects this as few companies have multiple sales during three-month intervals.

### **3.10.2 Conclusion**

Study 1 sought to answer the research question: “What different types of e-newsletter contents are being sent to consumers in Sweden?” The answer to this question is that Swedish consumers receive e-newsletters that fall into three broad types of content. These are e-newsletters with content communicating promotional information, special offers and sale information.

### **3.10.3 Managerial Implications**

Study 1 provides managers with categories to classify e-newsletter content into. Doing this is important in order for companies to better organize their e-newsletter efforts and to ensure companies are aware of what type of content it is that they are communicating. Research has proven that there are clear links between perceived value of content of marketing messages and the positive associations consumers make to the sender of the message (Miquel-Romero & Adame-Sánchez, 2013). Managers who take their time to classify the e-newsletters their companies send out as either Promotional Information, Special Offers or Sale Information can begin track the results of the different content types and from that they can learn more about

what the receivers of the e-newsletters want. Therefore, in turn, classifying e-newsletters enables managers to better tailor future email marketing campaigns to consumers' taste and preferences. This could in turn lead to higher returns on marketing investments.

#### **3.10.4 Criticism of the Study**

For the same reasons as to why the discussion of Study 1 was kept brief, the criticism of Study 1 will be kept short and only bring forth the most crucial points worth criticizing. Study 1 is subject to several delimitations. This might mean that the findings in Study 2 are limited to apply only to the specific situation described. A few more remarks of criticism can be made about Study 1. For one, more robust findings might have been obtained if Study 1 had been performed during one whole year, the sample data had been taken from more companies than it was and if the analysis of the results in Study 1 had not been focused on concluding on a few, general and broad categories of e-newsletter content types. The data in Study 1 may also have been able to be ensured to be confirmable if the steps of the categorization had been discussed in greater detail with an objective outsider. Finally, a replication of Study 1 that is not primarily concerned with finding data to incorporate in another study, might find slightly differing results in terms of what information to look for when analyzing the data and again, how many categories of content types are suitable to conclude on.

#### **3.10.5 Future Research**

To increase the reliability of Study 1 it would be of interest to conduct a longitudinal study to measure the changes in what types of e-newsletter contents marketers send out during the course of a full year. The business year for retailers has starkly differing seasons (sales during Christmas are for example known to increase by remarkably high percentages) and it is not unlikely that this is reflected in marketing efforts. This could therefore influence the resulting frequencies that Study 1 presented the three categories of Promotional Information, Special Offers and Sale Information to occur in. In addition to this, future research could look at if different e-newsletter content types are associated with different monetary results and what content types return what conversion rates. It may also be fruitful for future researchers to explore what results in terms of e-newsletter conversion rates, different types of e-newsletter content returns depending on what season it is.

### 3.11 HYPOTHESES REDEFINED

The completion of Study 1 called for alterations of the hypotheses generated for the main research questions of this thesis.

---

***H1a.** Including social proof appeals in subject lines communicating Promotional Information increases receivers' interest in the e-newsletter*

***H1b.** Including social proof appeals in subject lines communicating Special Offers increases receivers' interest in the e-newsletter*

***H1c.** Including social proof appeals in subject lines communicating Sale Information increases receivers' interest in the e-newsletter*

***H2a.** Including supply related scarcity appeals in subject lines communicating Promotional Information increases receivers' interest in the e-newsletter*

***H2b.** Including supply related scarcity in subject lines communicating Special Offers increases receivers' interest in the e-newsletter*

***H2c.** Including supply related scarcity in subject lines communicating Sale Information increases receivers' interest in the e-newsletter*

***H3a.** Including social proof appeals in subject lines communicating Promotional Information increases receivers' desire to open the e-newsletter*

***H3b.** Including social proof appeals in subject lines communicating Special Offers increases receivers' desire to open the e-newsletter*

***H3c.** Including social proof appeals in subject lines communicating Sale Information increases receivers' desire to open the e-newsletter*

***H4a.** Including supply related scarcity appeals in subject lines communicating Promotional Information increases receivers' desire to open the e-newsletter*

***H4b.** Including supply related scarcity in subject lines communicating Special Offers increases receivers' desire to open the e-newsletter*

***H4c.** Including supply related scarcity in subject lines communicating Sale Information increases receivers' desire to open the e-newsletter*

***H5a.** Including social proof appeals in subject lines communicating Promotional Information increases receivers' intention to open the e-newsletter*

***H5b.** Including social proof appeals in subject lines communicating Special Offers increases receivers' intention to open the e-newsletter*

***H5c.** Including social proof appeals in subject lines communicating Sale Information increases receivers' desire to open the e-newsletter*



*H6a. Including supply related scarcity appeals in subject lines communicating Promotional Information increases receivers' intention to open the e-newsletter*

*H6b. Including supply related scarcity in subject lines communicating Special Offers increases receivers' desire to open the e-newsletter*

*H6c. Including supply related scarcity in subject lines communicating Sale Information increases receivers' desire to open the e-newsletter*

---

## 4. STUDY 2

### 4.1 RELATION TO STUDY 1

With what types of e-newsletters are being sent by marketers established, focus could be shifted to exploring the main research question of this thesis: how e-newsletter with social proof and scarcity appeals in the subject line affect e-newsletter open rates for products with different levels of involvement and underlying purchase motivations.

### 4.2 METHODOLOGY

#### 4.2.1 Initial Work

As mentioned in 1.1 Background, despite the advances technology and communication channels have seen in recent years, the 40-year-old technology of email is still one of the most beneficial digital mediums online marketers have at their disposal (Martin et al., 2003). But with the great benefits of e-newsletters comes a disadvantage as well. The more marketers choose to communicate with e-newsletters, the harder it is for marketers to reach their target audience. One of the world's leading e-newsletter distribution software companies, MailChimp, alone sends more than 400 million e-newsletters every day (Carr, 2014). Because consumers are being flooded with e-newsletters, marketers are experimenting to find new ways and methods that will let them capture the attention of their subscribers better. A company specializing in this is Conversionista, Sweden's largest website optimizing company. After initial conversations about the objectives of this study with Conversionista's founder, John Ekman, a course in conversion management was completed with Conversionista. During this course, and from parallel literature research, it was established what the research objective for this thesis should be.

#### 4.2.2 Scientific Approach and Overall Research Design

The research approach of Study 2 is of the deductive kind as hypotheses were deducted from consumer psychology theories focusing on influence principles (Barbour, 2014). Furthermore, Study 2 took on a cross-sectional design since many data points were to be recorded, collected and analyzed in order for associations to be detected (Bryman & Bell, 2011). In order to be able to truly generalize the findings from Study 2, the approach chosen was quantitative (ibid).

Since e-newsletter receivers' interest in a subject line, desire to open an e-newsletter and intentions to open it was what was to be studied in Study 2, collecting the data in the form of a survey was deemed suitable. The nature of the contactless, email-facilitating method of the study ensured complete avoidance of any risks of contaminating results with the Hawthorne effect (Roethlisberger & Dickson, 1939). A drawback of the use of cross-sectional design is the weakening of casual relationships that this design type entails. Even though Study 2 sought to find the effect the independent variables (influence principle appeals) have on the dependent variable (interest for the e-newsletter and desire and intentions to open the e-newsletter) without experimental design features, the time order of the variables cannot be determined. What can be determined with cross-sectional design however, are patterns of associations. Furthermore, certain inferences about the time order of these relationships can also be made from cross-sectional design studies. Thanks to Study 2 taking on such a design Study 2 is high in replicability which makes it easier for researchers to, in the future, conduct similar studies on the relationship between social proof and supply related scarcity appeals and organization's various online conversion rates. In Study 2, the independent variable was divided into three groups, one control group, which did not receive any manipulation, and two treatment groups, which were either treated to communicate social proof appeals or supply related scarcity appeals.

#### 4.2.3 Preparatory Work

Study 2 was prepared for in three steps. The first step was to select the appropriate products to represent each product category included in the study. This step is below referred to as Preparatory Step 1. The second step was to construct control and treatment group subject lines corresponding to a typical example of each type of e-newsletter content found in Study 1. This step is below referred to as Preparatory Step 2. The third step was to perform a test of

manipulation. This is below referred to as Test of Manipulation. The two preparatory steps and the test of manipulation are explained in detail below.

#### 4.2.3.1 Preparatory Step 1 – Selection of Products to Represent Product Categories

The objective of Preparatory Step 1 was to select products to represent each product category included in the study: low-involvement, high-involvement, hedonic, utilitarian, conspicuous, and non-conspicuous. The motivations behind the selection of products to represent each category were derived from literature. Organizing the selection of products in accordance with Rossiter and Percy's (1987) grid resulted in four products representing the six different categories used in Study 2 to reflect product relevance. To represent the high-involvement, hedonic motives corner, designer clothes were chosen (Aaker, Batra & Myers, 1992; Dhar & Wertenbroch, 2010). To represent the high-involvement, utilitarian motives corner, a microwave was chosen (Dhar & Wertenbroch, 2000). To represent the low-involvement, hedonic motives corner, chocolate was chosen (Aaker, Batra & Myers, 1992; De Pelsmacker, Geuens & Bergh, 2010). To represent the final corner of low-involvement, utilitarian motives, a soap bar was chosen (Laurent & Kapferer, 1985; Zaichkowsky, 1985).

The representation of each of the categories can be seen in Rossiter and Percy's (1987) grid.

According to literature, designer clothes are regarded as highly socially visible, conspicuous consumption goods. The high-involvement, hedonic corner thus also represents the product category of conspicuous consumption motives. Furthermore, according to literature, a soap bar is regarded to be a socially not-so-visible good and a non-conspicuous consumption good. The low-involvement, utilitarian corner of the grid is thus also representing the non-conspicuous consumption motives product category (Gierl & Huettl, 2010).

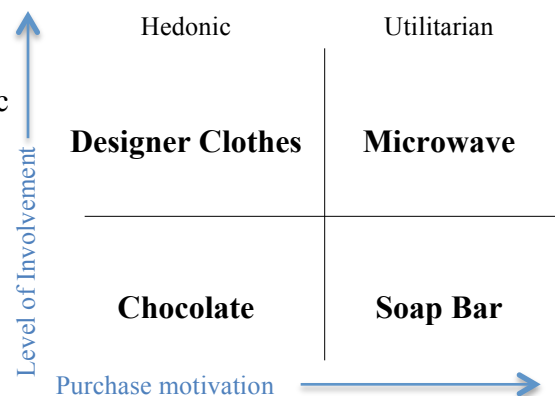


Figure 2: Rossiter and Percy Grid (1987)

#### 4.2.3.2 Preparatory Step 2 - The Control- and Experiment Group Subject Lines

The objective of preparatory step two was to construct control and treatment group subject lines corresponding to a typical example of each type of e-newsletter content found in Study 1. The preparation was carried out in two sequential phases described in detail below.

##### 4.2.3.2.1 Phase 1 - The Control Group Subject Lines

To be able to construct subject lines for the control group, research on typical composition of e-newsletter subject lines was conducted. In today's modern times there are plenty of e-newsletter experts who claim to have found the keys to unlock companies' conversion rate success but even though there are general guidelines to take into account when looking to increase e-newsletter open rates, the keys to unlock the success are just that, guidelines. The experts seem to agree on the fact that what works for one company or e-newsletter, may not work for another. In spite of this, three things consistently show up on lists (Apsis, n.d.; Compost 2014; MailChimp, 2014).

*1. Keep the subject line short* – Some experts recommend subject lines to be kept below 50 characters (MailChimp, 2014). Studies on the optimal subject line length have found that e-newsletter subject lines comprised of 4-15 characters achieve 56% higher open rates than subject lines comprised of 16-27 characters (16% and 9% open rate respectively) (MailerMailer, 2013).

*2. Intrigue the receiver to want to find out more* - Beyond the technical positive effect of keeping the subject line short it seems this also has the effect of intriguing the e-newsletter receiver to find out more (MailChimp, 2014; Compost, 2014; Klein, 2002). John Wiseman, vice president of Thrillist, an e-mail newsletter business with more than 3 million daily subscribers, says, in “6 Tips for Boosting Newsletter Open Rates”, “You should also use a dash of mystery. One of the subject lines we've used in tests is 'Get Your Mind Blown.' Readers wonder what that means, and it makes them want to open it” (Raphael, 2012).

*3. Include the most important keywords in the subject line* – Experts in the field of e-newsletter subject line copy writing also agree on including the most important keywords of the newsletter's content in the subject line (Apsis n.d.; Compost, 2014; Katz, 2004). Letting people know what they can expect from the e-newsletter is vital for the conversion rate according to

Cohen (2014). A University of Washington marketing report also lists the inbox search process simplification for receivers as a benefit of including important keywords in the subject line (University of Washington, 2012). A subject line for each typical example of e-newsletter content type found in Study 1 was constructed with the above-mentioned factors in mind. These three neutral subject lines can be seen in table 9.

Content type	Subject line*
Promotional information	Upptäck höstens nyheter!
Special Offer	25% rabatt i 24 timmar!
Sale information	Höstens stora rea är här!

Table 9

\* As the main study of Study 2 was originally planned to be performed in collaboration with Swedish e-commerce companies the subject lines were originally constructed in Swedish.

#### 4.2.3.2.2 Phase 2 - The Experiment Group Subject Lines

The second phase in preparatory step two was to construct subject lines including social proof and scarcity appeals for each of the aforementioned e-newsletter content type. These subject lines were written in consistency with common marketing practices related to social proof and scarcity appeals (Griskevicius et al., 2009) and with Weber and Cook's (1972 cited in Söderlund, 2010) "the best treatments differ in one sentence, a single value, or a single element in the physical arrangement of the experiment"-statement in mind. The subject lines can be seen in table 10.

Content type	Influence principle*	Subject line
Promotional information	Supply related scarcity	Höstens nyheter är här, begränsat initialt lager!
	Social Proof	Nyheten alla pratar om: upptäck höstens måsten!
Special Offer	Supply related scarcity	Endast i 24 timmar: 25% rabatt!
	Social Proof	Populärt erbjudande: 25% rabatt i 24 timmar!
Sale information	Supply related scarcity	Höstrea under begränsad tid!
	Social Proof	Höstrea alla talar om är här!

Table 10

\* As the main study of Study 2 was originally planned to be performed in collaboration with Swedish e-commerce companies the subject lines were originally constructed in Swedish.

#### 4.2.3.3 Preparatory step 3 - Test of Manipulation

The third preparatory step for Study 2 was to conduct a test of manipulation. The test was carried out in form of a questionnaire, the survey program Qualtrics was used. The questionnaire was designed to test to what degree respondents perceived the control and the two treatment groups, for each e-newsletter content type, to signal social proof and supply related scarcity. The questionnaire was comprised of nine sections, one for each subject line to be tested. The questionnaire was composed in Swedish. Respondents were asked to imagine that they had agreed to receive e-newsletters from their favorite e-store. The respondent was then presented with an image showing an email inbox with a new email in it. The email subject line was altered for each of the nine sections.



*Image 5 – example of inbox view*

For each inbox images presented, respondents were asked to what degree they perceived the subject line to signal limited availability due to restrictions from the supplier and to what degree they perceived the subject line to signal popularity among other consumers. The questions comprising the questionnaire were kept short and free of complicated, scientific formulations in order to suit all types of survey takers (Söderlund, 2005). Respondents indicated their answers on a five point Likert scale ranging from one to five with the explanation that one meant that the subject line did not at all signal this and five meant that the subject line very much signaled this. As recommended by Söderlund (2005) the most negative response (one) was placed to the far left and the most positive response (five) was placed to the far right.

The questionnaire was sent to a convenience sample of 47 students and young professionals. 37 responses were completed in full. Respondents were incentivized to take the survey by the promise that, for every answer the researcher received, a donation of 25 SEK would be made to

the charity Rädde Barnen. A series of t-tests were conducted, the results of the questionnaire carried out in the test of manipulation are summaries in table 11 and 12.

Measured: degree of signaled social proof					
Promotional Information		Social proof subject line	Neutral subject line	Mean diff	Sig.
	Mean	3.81	1.86	1.95	0.000
		Social proof subject line	Scarcity subject line	Mean	Sig.
	Mean	3.81	2.05	1.76	0.000
Special Offers		Social proof subject line	Neutral subject line	Mean	Sig.
	Mean	3.43	1.84	1.60	0.000
		Social proof subject line	Scarcity subject line	Mean	Sig.
	Mean	3.43	1.86	1.57	0.000
Sale Information		Social proof subject line	Neutral subject line	Mean	Sig.
	Mean	3.59	1.86	1.73	0.000
		Social proof subject line	Scarcity subject line	Mean	Sig.
	Mean	3.59	1.84	1.76	0.000

Table 11

Measured: degree of signaled supply related scarcity					
Promotional Information		Scarcity subject line	Neutral subject line	Mean diff.	Sig.
	Mean	3.76	1.43	2.32	0.000
		Scarcity subject line	Social proof subject line	Mean diff.	Sig.
	Mean	3.76	1.46	2.30	0.000
Special Offers		Scarcity subject line	Neutral subject line	Mean diff.	Sig.
	Mean	4.68	4.43	0.24	0.488
		Scarcity subject line	Social proof subject line	Mean diff.	Sig.
	Mean	4.68	4.24	0.43	0.091
Sale Information		Scarcity subject line	Neutral subject line	Mean diff.	Sig.
	Mean	4.30	2.43	1.87	0.000
		Scarcity subject line	Social proof subject line	Mean diff.	Sig.
	Mean	4.30	2.19	2.11	0.000

Table 12

As can be seen in table 11 and 12, there was significant difference at a 5% level between all groups except between the subject lines for the Special Offers' subject lines. A revision of the control group subject line and the treatment group subject line meant to signal social proof was therefore done and a new questionnaire testing only the three subject lines for e-newsletter content type Special Offers was performed. Table 13 summarizes the changes made to the affected subject lines.

Special Offer	From	To
Neutral	25% rabatt i 24 timmar!	Erbjudande: 25% rabatt!
Social Proof	Populärt erbjudande: 25% rabatt i 24 timmar!	Populärt erbjudande: 25% rabatt!

Table 13

The second questionnaire was distributed to a convenience sample of 18 students and 17 answers were completed in full and analyzed. A bivariate analysis was conducted. The results of the second questionnaire carried out in the second test of manipulation can be seen in table 14 and 15.

Measured: degree of signaled social proof				
Special Offers	Social proof subject line	Neutral subject line	Mean diff.	Sig.
Mean	3.83	1.28	2.56	0.000
Special Offers	Social proof subject line	Scarcity subject line	Mean diff.	Sig.
Mean	3.83	1.44	2.39	0.000

Table 14

Measured: degree of signaled supply related scarcity				
Special Offers	Scarcity subject line	Neutral subject line	Mean diff.	Sig.
Mean	4.83	1.83	3.00	0.000
Special Offers	Scarcity subject line	Social proof subject line	Mean diff.	Sig.
Mean	4.83	1.72	3.11	0.000

Table 15

### 4.3 THE MAIN STUDY

Study 2 made use of a total of 36 groups of respondents and thus the same amount of different questionnaires were produced. One group for each of the three types of subject lines, one group



for each of the three e-newsletter content types and one group for each of the four product types ( $3 \times 3 \times 4 = 36$ ). The questionnaire was composed and distributed with the help of the survey software Qualtrics. The questionnaire was sent out November 24 and results were collected on November 26. A large amount of respondents was thanks to tutor Erik Modig's assistance reachable through a bank of survey respondents called MTurk. The respondents were monetarily incentivized to answer the survey. Payments were organized by MTurk.

#### **4.3.1 Quantitative Data Sampling**

In order to be able to perform statistical analyses on the results from Study 2, a total number of respondents higher than 30 was needed for each group (Söderlund, 2010). Each of the 36 groups of respondents had between 37 and 41 responses each. Which questionnaire a respondent was delegated was randomly and electronically decided by Qualtrics. The questionnaire took respondents, on average, less than 3 minutes to complete. The gender distribution between respondents were 62% male, 38% female. The majority of respondents were between 18 and 30 years of age (54%), about a quarter were between 31 and 40 and a fifth of respondents were older than 50 years. Almost nine of ten respondents had a two- or four-year college degree. A rough third of respondents had total a household incomes less than \$30 000/year, a third had between \$30 000 and \$50 000/year and a third earned more than \$50 000/year. All respondents resided within the United States.

#### **4.4 THE QUESTIONNAIRE**

Each questionnaire began by asking the respondent to imagine that he or she had agreed to receive e-newsletters. What company had sent the e-newsletter was altered for each questionnaire. One said the e-newsletter had been sent by the respondent's favorite online reseller of designer clothes, another said it was the respondent's favorite online reseller of microwaves that had sent it, a third said favorite online reseller of chocolate and a fourth said favorite online reseller of soap bars. After each introduction to a product, the respondent was presented with an image showing an email inbox with a new email in it. For each of the questionnaire, representing the four online resellers of the various products, there were nine versions of inbox-view images – one neutral, one social proof appeal and one supply related scarcity appeal subject line version for each of the three different e-newsletter content types

found in Study 1 – Promotional Information, Special Offers and Sale Information. Each respondent was exposed to only one version of a subject line.

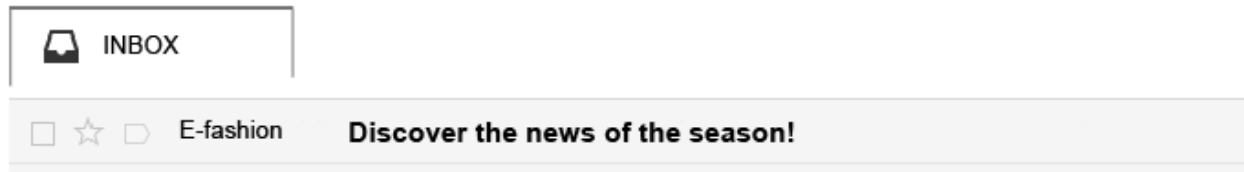


Image 6

Each of the four sections were followed by a set of seven closed questions measuring interest in the e-newsletter, desire to open the e-newsletter and intention to open it. To reduce the risk of variability stemming from differences in interpretation and to make the responding process as quick and painless as possible for the respondents, the study was designed with interpretation and answering efficiency kept in mind (Söderlund, 2005). The six questions were comprised to one table of similarly phrased agree/disagree statements. Some of the drawbacks associated with the use of closed questions were mediated by efforts to phrase the questions in a straightforward, simple linguistic manner (Hair et al., 2007). Finally, to ensure the answer options were mutually exclusive and collectively exhaustive (and because previous studies which the statements were modeled after used it) a seven point Likert scale was used to measure the answers (Machleit, Allen & Madden, 1993 and Martin et al. 2003). The seven-point scale was presented to the respondent with the most negative answer to the left and the most positive answer to the right as suggested by Söderlund (2005). How *a) interest in the e-newsletter*, *b) desire to open the e-newsletter* and *c) intention to open the e-newsletter* was measured in Study 2 can be seen below.

#### **a) Interest in the E-Newsletter**

Interest in the e-newsletter was measured by respondents' interest in the subject line. The degree to which respondents agreed or disagreed with three statements evaluated this. The statements were: "I am curious about the email", "I am intrigued by the subject line" and "I would like to learn more about the message". These questions were slightly modified from what Machleit, Allen & Madden (1993) used to measure brand interest. Responses were indicated on a seven-point Likert scale ranging from 1: "strongly disagree" to 7: "strongly agree".

### **b) Desire to Open the E-Newsletter**

Desire to open the e-newsletter was evaluated on the degree to which respondents found the content interesting and the degree to which respondents perceived the content of the message to be of value to them. The statements the respondents were presented with were: “I am interested in the content of the email” and “I find the content of the email valuable” (Martin et al. 2003). Again, responses were indicated on a seven-point Likert scale ranging from 1: “strongly disagree” to 7: “strongly agree”.

### **c) Intention to Open the E-newsletter**

The message’s ability to prompt action from the receiver of the message was evaluated on the extent to which respondents indicated that they intended to open the message. Respondents were presented with the following statement to indicate this: “I would be likely to open this email if it was sent to me” (Van Kerckhove, Geuens & Vermeir, 2012). Responses were once again indicated on a seven-point Likert scale ranging from 1: “strongly disagree” to 7: “strongly agree”.

After the six questions measuring level of interest, desire and intentions, a so-called “hard” measure question (“Would you open the email?”) was asked. If the respondent answered “yes” to this question a new page of questions appeared. This page told the respondent to imagine that he or she had opened the email and then presented the respondent with an image of what the email looked like. Below the image, the same set of six questions described above were asked but this time they referred to the respondents interest in and desire and intentions to click on the link the message included. Two additional questions measured respondents’ familiarity with buying the product the questionnaire received referred to and with what frequency the respondent usually purchase this type of product. These questions were added to the questionnaire for reasons that were not related to this study and will thus not be analyzed in this thesis. As the questions appeared after the set of questions this thesis is actually concerned with, the extra questions were considered unobtrusive to the answers received from the respondent to the first set of questions. Before the survey thanked the respondent for his or her participation, a set of 4 questions recorded the respondent’s gender, age, highest earned educational level and total household income. Standardized, predefined phrases of these four questions were used.

## 4.5 ANALYTICAL TOOLS

The questionnaire used in Study 2 was distributed electronically via MTurk. Responses were recorded in Qualtrics. This method makes it easy to insert answers directly into SPSS, eliminating the risk of human errors. In total, 1 714 responses were cleared to be included in the analyses. The data was analyzed with SPSS and internal consistency for two of the dependent variables (above denoted a and b) were measured with the help of Cronbach's Alpha and Pearson's coefficient. Three items measured interest in the questionnaire. Reliability analyses of the three items returned Cronbach's Alphas higher than 0.97 for all content types and influence principles. Correlation was thus concluded on and an index for interest was calculated. Two items in the questionnaire measured desire. Correlation analyses of the items returned Pearson's coefficients higher than 0.85 for all content types and influence principles. Correlation could again be concluded on and an index for desire was calculated. A series of independent t-tests were performed to measure effects between the control groups and the experiment groups. After that, in order to be able to study the differences between content- and product types, two multivariate analyses of variance (MANOVA) were performed. For all tests, only p-values ( $p < 0.05$ ) on a significance level of 5% were accepted.

## 4.6 DATA QUALITY

Of out most importance in a quantitative study like Study 2, is to evaluate the study's reliability and validity (Ghauri & Grønhaug, 2010). That a study is reliable means that the results found in the study are consistent with what a future study of the same kind would find (ibid). That a study is valid means that the study actually measures what it intends to (ibid). Reliability can be discussed in terms of the reliability of the primary and the secondary sources and further, the internal reliability of the primary sources. Validity on the other hand can be discussed in terms of internal, ecological and external validity.

### 4.6.1 Reliability

For a study to be valid, according to Bryman and Bell (2011), it first has to be reliable. That Study 2 was reliable was therefore ensured first. Study 2 makes use of some secondary sources such as interviews, journal articles and chapter extracts from books on influence principles and consumer behavior. The reliability of these sources is considered high even though a few

references are from sources not as well-cited as others. Despite this, the reliability of the secondary sources referred to in Study 2 is considered high. The internal reliability of Study 2 was ensured by, in the questionnaire, using questions that had previously been proven to measure interest, desire and intention. Making use of questions known to measure what a researcher intends to measure ensures future studies would find similar findings too. Further, internal reliability was ensured by computing Cronbach's alpha and Pearson's coefficient to check if an index could be created before combining multiple items measuring the same things, into one measure. Measuring if respondents are answering in a similar manner to questions, that are meant to measure the same thing, is an important step in ensuring internal reliability (Bryman & Bell, 2011). Reliability of Study 2 is considered high.

#### **4.6.2 Validity**

Internal validity of Study 2 refers to whether or not observed differences between experiment and control groups were actually due to the inclusion of influence principle appeals. To try to ensure this the difference in copy between the control- and experiment group subject lines was kept to minimal as can be seen in section Preparatory Step 2 – The Control- and Experiment Group Subject Lines. Further, related to the questionnaire used in Study 2, ecological validity of the study can be questioned. An attempt to reprimand this was done by, to the best of my ability, making the situation, the questionnaire asked the respondent to imagine - the inbox view, look as close to reality as possible. Due to the nature of how data was collected in Study 2, external validity in a sense that the cause-and-effect relationship between the independent and the dependent variable can be assured, was not entirely possible. However, due to the large sample used in Study 2 the results from the study are still believed to be generalizable enough. Validity of Study 2 is considered high.

### **4.7 RESULTS AND ANALYSIS**

#### **4.7.1 (A)IDA – Hierarchy of Effects Model**

The results of the series of independent samples t-test from Study 2 are below presented following the order of the measured steps in Lewis' hierarchy of effects model. After the three steps interest, desire and intention have been presented, the same results but categorized by each content type they represent, will be presented. After that, the effect product relevance had on

responses will be presented and finally, two multivariate analyses of variance measuring the effects between content- and product type are presented.

#### 4.7.1.1 Interest

##### *Social Proof appeals*

Hypothesis 1a, 1b and 1c stated that including social proof appeals in the subject line of an e-newsletter increases receivers' interest in the e-newsletter. For hypothesis 1a, an e-newsletter communicating Promotional Information, the difference between the control group (mean = 3.34) and the experiment group (mean = 3.15) was -0.19. For hypothesis 1b, an e-newsletter communicating Special Offers, the difference between the control group (mean = 4.06) and the experiment group (mean = 3.97) was -0.09. The difference between these means did not reach a significance level of 5%. For hypothesis 1c, an e-newsletter communicating Sale Information, the difference between the control group (mean = 4.20) and the experiment group (mean = 3.77) was -0.43. The difference between these means reached a significance level of 5% but the difference was in the opposite direction than what had been hypothesized. Hypotheses 1a, 1b and 1c were thus rejected. Including social proof appeals in the subject line does not increase receiver's interest for the e-newsletter for subject lines communicating Promotional Information, Special Offers or Sale Information.

*H1a. Including social proof appeals in subject lines communicating Promotional Information increases receivers' interest in the e-newsletter*

Neutral appeal		Social proof appeal		Diff.	Sig.
N	Mean	N	Mean		
155	3.34	158	3.15	-0.19	0.368

*H1b. Including social proof appeals in subject lines communicating Special Offers increases receivers' interest in the e-newsletter*

Neutral appeal		Social proof appeal		Diff.	Sig.
N	Mean	N	Mean		
160	4.06	158	3.97	-0.09	0.639

*H1c. Including social proof appeals in subject lines communicating Sale Information increases receivers' interest in the e-newsletter*

Neutral appeal		Social proof appeal		Diff.	Sig.
N	Mean	N	Mean		
158	4.20	155	3.77	-0.43	0.034

### *Supply related scarcity appeals*

Hypothesis 2a, 2b and 2c stated that including supply related scarcity appeals in the subject line of an e-newsletter increases receivers' interest in the e-newsletter. For hypothesis 2a, an e-newsletter communicating Promotional Information, the difference between the control group (mean = 3.34) and the experiment group (mean = 3.71) was 0.37. For hypothesis 2b, an e-newsletter communicating Special Offers, the difference between the control group (mean = 4.06) and the experiment group (mean = 4.02) was -0.04. The difference between these means did not reach significance level of 5%. For hypothesis 2c, an e-newsletter communicating Sale Information, the difference between the control group (mean = 4.20) and the experiment group (mean = 3.76) was -0.44. The difference between these means reached significance level of 5% but in opposite direction than what had been hypothesized. Hypotheses 2a, 2b and 2c were thus rejected. Including supply related scarcity appeals in the subject line does not increase receiver's interest for the e-newsletter for subject lines communicating Promotional Information, Special Offers or Sale Information.

*H2a. Including supply related scarcity appeals in subject lines communicating Promotional Information increases receivers' interest in the e-newsletter*

Neutral appeal		Supply related scarcity appeal		Diff.	Sig.
N	Mean	N	Mean		
155	3.34	159	3.71	0.37	0.077

*H2b. Including supply related scarcity in subject lines communicating Special Offers increases receivers' interest in the e-newsletter*

Neutral appeal		Supply related scarcity appeal		Diff.	Sig.
N	Mean	N	Mean		
160	4.06	160	4.02	-0.04	0.839

*H2c. Including supply related scarcity in subject lines communicating Sale Information increases receivers' interest in the e-newsletter*

Neutral appeal		Supply related scarcity appeal		Diff.	Sig.
N	Mean	N	Mean		
158	4.20	154	3.76	-0.44	0.026

#### 4.7.1.2 Desire

##### *Social Proof appeals*

Hypothesis 3a, 3b and 3c stated that including social proof appeals in the subject line of an e-newsletter increases receivers' desire to open the e-newsletter. For hypothesis 3a, an e-newsletter communicating Promotional Information, the difference between the control group (mean = 3.12) and the experiment group (mean = 2.89) was -0.23. For hypothesis 3b, an e-newsletter communicating Special Offers, the difference between the control group (mean = 4.04) and the experiment group (mean = 3.97) was -0.08. For hypothesis 3c, an e-newsletter communicating Sale Information, the difference between the control group (mean = 4.08) and the experiment group (mean = 3.70) was -0.37. The difference between these means did not a significance level of 5%. Hypotheses 3a, 3b and 3c were thus rejected. Including social proof appeals in the subject line does not increase receiver's desire to open the e-newsletter for subject lines communicating Promotional Information, Special Offers or Sale Information.

*H3a. Including social proof appeals in subject lines communicating Promotional Information increases receivers' desire to open the e-newsletter*

Neutral appeal		Social proof appeal		Diff.	Sig.
N	Mean	N	Mean		
155	3.12	158	2.89	-0.23	0.239

*H3b. Including social proof appeals in subject lines communicating Special Offers increases receivers' desire to open the e-newsletter*

Neutral appeal		Social proof appeal		Diff.	Sig.
N	Mean	N	Mean		
160	4.04	158	3.97	-0.08	0.715

*H3c. Including social proof appeals in subject lines communicating Sale Information increases receivers' desire to open the e-newsletter*

Neutral appeal		Social proof appeal		Diff.	Sig.
N	Mean	N	Mean		
158	4.08	155	3.70	-0.37	0.062



*Supply related scarcity appeals*

Hypothesis 4a, 4b and 4c stated that including supply related scarcity appeals in the subject line of an e-newsletter increases receivers' desire to open the e-newsletter. For hypothesis 4a, an e-newsletter communicating Promotional Information, the difference between the control group (mean = 3.12) and the experiment group (mean = 3.53) was 0.41. The difference between these means reached a significance level of 5%. For hypothesis 4b, an e-newsletter communicating Special Offers, the difference between the control group (mean = 4.04) and the experiment group (mean = 4.05) was 0.01. The difference between these means did not reach a significance level of 5%. For hypothesis 4c, an e-newsletter communicating Sale Information, the difference between the control group (mean = 4.08) and the experiment group (mean = 3.66) was -0.42. The difference between these means reached a significance level of 5% but in the opposite direction than what had been hypothesized. Hypothesis 4a was thus supported and hypotheses 4b and 4c were rejected. Thus including supply related scarcity in subject lines communicating Promotional information increases receivers' desire to open the e-newsletter but including it in subject lines communicating Special Offers or Sale Information does not.

*H4a. Including supply related scarcity appeals in subject lines communicating Promotional Information increases receivers' desire to open the e-newsletter*

Neutral appeal		Supply related scarcity appeal		Diff.	Sig.
N	Mean	N	Mean		
155	3.12	159	3.54	0.41	0.039

*H4b. Including supply related scarcity in subject lines communicating Special Offers increases receivers' desire to open the e-newsletter*

Neutral appeal		Supply related scarcity appeal		Diff.	Sig.
N	Mean	N	Mean		
160	4.04	160	4.05	0.01	0.977

*H4c. Including supply related scarcity in subject lines communicating Sale Information increases receivers' desire to open the e-newsletter*

Neutral appeal		Supply related scarcity appeal		Diff.	Sig.
N	Mean	N	Mean		
158	4.08	154	3.66	-0.42	0.032

#### 4.7.1.3 Intention

##### *Social Proof appeals*

Hypothesis 5a, 5b and 5c stated that including social proof appeals in the subject line of an e-newsletter increases receivers' intentions to open the e-newsletter. For hypothesis 5a, an e-newsletter communicating Promotional Information, the difference between the control group (mean = 3.41) and the experiment group (mean = 3.15) was -0.25. For hypothesis 5b, an e-newsletter communicating Special Offers, the difference between the control group (mean = 4.27) and the experiment group (mean = 4.22) was -0.05. For hypothesis 5c, an e-newsletter communicating Special Offers, the difference between the control group (mean = 4.38) and the experiment group (mean = 4.07) was -0.31. The difference between these means did not a significance level of 5%. Hypotheses 5a, 5b and 5c were thus rejected. Including social proof appeals in the subject line does not increase receiver's intentions to open the e-newsletter for subject lines communicating Promotional Information, Special Offers or Sale Information.

*H5a. Including social proof appeals in subject lines communicating Promotional Information increases receivers' intention to open the e-newsletter*

Neutral appeal		Social proof appeal		Diff.	Sig.
N	Mean	N	Mean		
155	3.41	158	3.15	-0.25	0.266

*H5b. Including social proof appeals in subject lines communicating Special Offers increases receivers' intention to open the e-newsletter*

Neutral appeal		Social proof appeal		Diff.	Sig.
N	Mean	N	Mean		
160	4.27	158	4.22	-0.05	0.818

*H5c. Including social proof appeals in subject lines communicating Sale Information increases receivers' desire to open the e-newsletter*

Neutral appeal		Social proof appeal		Diff.	Sig.
N	Mean	N	Mean		
158	4.38	155	4.07	-0.31	0.175

*Supply related scarcity appeals*

Hypothesis 6a, 6b and 6c stated that including supply related scarcity appeals in the subject line of an e-newsletter increases receivers' intentions to open the e-newsletter. For hypothesis 6a, an e-newsletter communicating Promotional Information, the difference between the control group (mean = 3.41) and the experiment group (mean = 3.92) was 0.51. The difference between these means reached a significance level of 5%. For hypothesis 6b, an e-newsletter communicating Special Offers, the difference between the control group (mean = 4.27) and the experiment group (mean = 4.31) was 0.04. The difference between these means did not reach a significance level of 5%. For hypothesis 6c, an e-newsletter communicating Special Offers, the difference between the control group (mean = 4.38) and the experiment group (mean = 3.91) was -0.47. The difference between these means reached a significance level of 5% but in the opposite direction than what had been hypothesized. Hypothesis 6a was supported and hypotheses 6b and 6c were rejected. Thus including supply related scarcity in subject lines communicating Promotional information increases receivers' intentions to open the e-newsletter but including it in subject lines communicating Special Offers or Sale Information does not.

*H6a. Including supply related scarcity appeals in subject lines communicating Promotional Information increases receivers' intention to open the e-newsletter*

Neutral appeal		Social proof appeal		Diff.	Sig.
N	Mean	N	Mean		
155	3.41	159	3.92	0.51	0.027

*H6b. Including supply related scarcity in subject lines communicating Special Offers increases receivers' desire to open the e-newsletter*

Neutral appeal		Social proof appeal		Diff.	Sig.
N	Mean	N	Mean		
160	4.27	160	4.31	0.04	0.875

*H6c. Including supply related scarcity in subject lines communicating Sale Information increases receivers' desire to open the e-newsletter*

Neutral appeal		Social proof appeal		Diff.	Sig.
N	Mean	N	Mean		
158	4.38	154	3.91	-0.47	0.035

To give an overview of the results in relation to what content type the subject line referred to, the results are presented again but per content type.

Promotional Information	Neutral		Social proof		Mean diff.	Sig.
	N	Mean	N	Mean		
Interest	155	3.34	158	3.15	-0.19	0.368
Desire	155	3.12	158	2.89	-0.23	0.239
Intention	155	3.41	158	3.15	-0.25	0.266
	Neutral		Supply related scarcity		Mean diff.	Sig.
	N	Mean	N	Mean		
Interest	155	3.34	159	3.71	0.37	0.077
Desire	155	3.12	159	3.53	0.41	0.039
Intention	155	3.41	159	3.92	0.51	0.027
Special Offer	Neutral		Social Proof		Mean diff.	Sig.
	N	Mean	N	Mean		
Interest	160	4.06	158	3.97	-0.09	0.639
Desire	160	4.04	158	3.97	-0.08	0.715
Intention	160	4.27	158	4.22	-0.05	0.818
	Neutral		Supply related scarcity		Mean diff.	Sig.
	N	Mean	N	Mean		
Interest	160	4.06	160	4.02	-0.04	0.839
Desire	160	4.04	160	4.05	0.01	0.977
Intention	160	4.27	160	4.31	0.04	0.875
Sale Information	Neutral		Social Proof		Mean diff.	Sig.
	N	Mean	N	Mean		
Interest	158	4.20	155	3.77	-0.43	0.034
Desire	158	4.08	155	3.70	-0.37	0.062
Intention	158	4.38	155	4.07	-0.31	0.175
	Neutral		Supply related scarcity		Mean diff.	Sig.
	N	Mean	N	Mean		
Interest	158	4.20	154	3.76	-0.44	0.026
Desire	158	4.08	154	3.66	-0.42	0.032
Intention	158	4.38	154	3.91	-0.47	0.035

Table 16

#### 4.7.2 The Moderating Effect of Product Relevance

A two-way ANOVA indicated influence principles and product type do not interact to effect levels of interest, desire or intention. However, it turns out that product type alone do. A series of independent t-tests were performed to measure the differences between products situated on opposite ends of the spectrum they represented. The first t-test showed that between the high-involvement, hedonic good, designer clothes, and the high-involvement, utilitarian good, microwave, statistical significance at a 5% level was found between the products when it came to the level of intention to open the e-newsletter. For interest and desire for these two products, no statistical significance was found. For the low-involvement, hedonic good, chocolate, and the low-involvement, utilitarian good, soap bar, statistical significance at a 5% level was found in the differences between respondents' reported levels of interest, desire and intention. Further the analysis showed that there was no statistical significant between respondents exposed to the hedonic, high-involvement good, designer clothes and the hedonic, low-involvement good, chocolate. No statistical significance between respondents exposed to messages referring to the utilitarian, high-involvement good, a microwave, or the utilitarian, low-involvement good, a soap bar, was found either. Further, between the conspicuous good, designer clothes, and the non-conspicuous good, soap bar, no statistical significance was found between respondents' answers. The findings are summaries in table 17.

	High-Involvement			
	Hedonic		Utilitarian	
	Designer clothes		Microwave	
	Mean	Mean	Mean diff	Sig.
<b>High-involvement</b>				
<b>Interest</b>	3.82	3.55	0.27	0.052
<b>Desire</b>	3.70	3.47	0.23	0.086
<b>Intention</b>	4.04	3.65	0.38	0.013
	Low-involvement			
	Hedonic		Utilitarian	
	Chocolate		Soap bar	
	Mean	Mean	Mean diff	Sig.
<b>Interest</b>	4.08	3.67	0.41	0.003
<b>Desire</b>	3.95	3.59	0.36	0.009
<b>Intention</b>	4.30	3.86	0.44	0.004

	<b>Hedonic</b>			
	<b>High-involvement</b>	<b>Low-involvement</b>		
	<b>Designer clothes</b>	<b>Chocolate</b>		
	<b>Mean</b>	<b>Mean</b>	<b>Mean diff</b>	<b>Sig.</b>
<b>Interest</b>	3.82	4.08	0.26	0.062
<b>Desire</b>	3.70	3.95	0.25	0.077
<b>Intention</b>	4.04	4.30	0.26	0.091
	<b>Utilitarian</b>			
	<b>High-involvement</b>	<b>Low-involvement</b>		
	<b>Microwave</b>	<b>Soap bar</b>		
	<b>Mean</b>	<b>Mean</b>	<b>Mean diff</b>	<b>Sig.</b>
<b>Interest</b>	3.55	3.67	0.12	0.393
<b>Desire</b>	3.47	3.59	0.12	0.358
<b>Intention</b>	3.65	3.86	0.20	0.182
	<b>Conspicuous</b>	<b>Non-conspicuous</b>		
	<b>Designer clothes</b>	<b>Soap bar</b>		
	<b>Mean</b>	<b>Mean</b>	<b>Mean diff</b>	<b>Sig.</b>
<b>Interest</b>	3.82	3.67	0.15	0.280
<b>Desire</b>	3.70	3.59	0.11	0.422
<b>Intention</b>	4.04	3.86	0.18	0.247

Table 17

### 4.7.3 Content- and Product Type

The results of Study 2 were after this examined with the help of a multivariate analysis of variance (MANOVA). This was done in order to get an understanding of how type of content communicated by the subject line affected reported levels of interest, desire and intention. As the three dependent variables of Study 2, interest, desire and intention, are correlated a MANOVA was decided upon.

#### *Type of content communicated by the subject line*

The MANOVA was run in order to check to what extent the content type of the message affected a combination of reported levels of interest, desire and intention. The analysis indicated that the content type did in fact have a statistically significant affect at a 5% level ( $p < 0.05$ ) on the

reported levels. The analysis also showed that 2% of the total variance between reported levels from respondents can be explained by the content type each respondent was presented with.

Wilks' Lambda				
Affecting variable	F	Sig.	Partial Eta Squared	Percentage of total variance explained by affecting variable
Content type	11.29	0.000	0.023	2.3%

Table 18

#### 4.7.2 Summary Of Hypotheses

**H1a.** Including social proof appeals in subject lines communicating Promotional Information increases receivers' interest in the e-newsletter

*Not supported*

**H1b.** Including social proof appeals in subject lines communicating Special Offers increases receivers' interest in the e-newsletter

*Not supported*

**H1c.** Including social proof appeals in subject lines communicating Sale Information increases receivers' interest in the e-newsletter

*Not supported*

**H2a.** Including supply related scarcity appeals in subject lines communicating Promotional Information increases receivers' interest in the e-newsletter

*Not supported*

**H2b.** Including supply related scarcity in subject lines communicating Special Offers increases receivers' interest in the e-newsletter

*Not supported*

**H2c.** Including supply related scarcity in subject lines communicating Sale Information increases receivers' interest in the e-newsletter

*Not supported*

**H3a.** Including social proof appeals in subject lines communicating Promotional Information increases receivers' desire to open the e-newsletter

*Not supported*

**H3b.** Including social proof appeals in subject lines communicating Special Offers increases receivers' desire to open the e-newsletter

*Not supported*

**H3c.** Including social proof appeals in subject lines communicating Sale Information increases receivers' desire to open the e-newsletter

*Not supported*

---

*H4a. Including supply related scarcity appeals in subject lines communicating Promotional Information increases receivers' desire to open the e-newsletter*

*Supported*

---

*H4b. Including supply related scarcity in subject lines communicating Special Offers increases receivers' desire to open the e-newsletter*

*Not supported*

---

*H4c. Including supply related scarcity in subject lines communicating Sale Information increases receivers' desire to open the e-newsletter*

*Not supported*

---

*H5a. Including social proof appeals in subject lines communicating Promotional Information increases receivers' intention to open the e-newsletter*

*Not supported*

---

*H5b. Including social proof appeals in subject lines communicating Special Offers increases receivers' intention to open the message*

*Not supported*

---

*H5c. Including social proof appeals in subject lines communicating Sale Information increases receivers' desire to open the e-newsletter*

*Not supported*

---

*H6a. Including supply related scarcity appeals in subject lines communicating Promotional Information increases receivers' intention to open the message*

*Supported*

---

*H6b. Including supply related scarcity in subject lines communicating Special Offers increases receivers' desire to open the e-newsletter*

*Not supported*

---

*H6c. Including supply related scarcity in subject lines communicating Sale Information increases receivers' desire to open the e-newsletter*

*Not supported*

---

## 4.8 DISCUSSION

The main research question Study 2 sought to answer was how e-newsletters with social proof and scarcity appeals in the subject lines affect e-newsletter open rates for both different types of e-newsletter contents and for products with different levels of involvement and underlying consumption motives. This was researched by breaking down the effect the marketing messages had on receivers into three parts related to Lewis' hierarchy of effects model and by studying the differences in these in relation to the e-newsletter content type and product relevance. This discussion is divided into three parts discussing first the meaning of the results from the 18 tested



hypotheses, then the effect the type of content being communicated had and finally the results of the moderating effect of product relevance.

#### 4.8.1 (A)IDA and Social Proof and Scarcity Appeals

Taken together, the results from the 18 tested hypotheses point at the fact that social proof and scarcity appeals in subject lines of e-newsletters do not increase reported interest for the e-newsletter, desire to open the e-newsletter or intentions to open the e-newsletter. In fact, in 13 of the cases, the neutral subject lines performed better than the ones including influence principle appeals. These findings are remarkable when considering the theory but the findings can of course be explained. The contradictory results found in Study 2 likely stray away from theory due to two reasons: the research method and the nature of the marketing medium.

**The research method** - The explanations for the many rejected hypotheses in Study 2 that can be derived back to the way in which the study was performed concerns the unnatural setting of the test and the unnatural relationship between the sender and the receiver. Study 2 sought to investigate the effect influence principles have on a marketing message's performance. According to theory, influence principles affect human behavior by providing the brain with heuristics; mental shortcuts that can be taken as escape routes from decisions demanding elaborate cognitive effort or decisions were a person, for one reason or another, is not likely or willing to engage in mental work (Petty et al., 2005); decisions like "should I buy this bottle of wine or the one next to it?" or "should I open this promotional email or not?" Studying this phenomena in a research setting where the receiver of the simulated e-newsletter is in a mindset of taking part in a study and is focused on evaluating what is being presented as well as being aware of the fact that the indicated results will be examined, most likely hinders the mind from perceiving the influence principles as means to get out of a cognitive workout (Roethlisberger & Dickson, 1939). What is more is that a group of people accustomed to taking part in studies of this kind was used to collect answers in Study 2. The people who answered the questionnaire were people who are signed up to take surveys in exchange for a small, monetary reward. It is likely these people are even more used to taking surveys than the average Joe and get into the "survey mindset" when they are presented with a study which in turn would contaminate the results.

The second explanation for the contradictory results that stems from the research method has to do with the relationship between the sender and the receiver. In many countries, companies must obtain prior consent from consumers to be allowed to send them electronic marketing messages (for example: Gov.uk, 2014). Consumers must actively choose to opt-in to receive e-newsletters from companies and they likely do so only from companies that they are already emotionally vested in. The survey respondent was asked to imagine that he or she had permitted his or her favorite online reseller of either designer clothes, microwaves, chocolate or soap bars to send commercial content but the results would likely be different if a consumer enthusiastic and loyal to for example Valentino, Bosch, Godiva or Molton Brown, had received an e-newsletter from either of these companies. Research on the power brands have on Western world consumers support this notion (Machleit, Allen & Madden, 1993). Merely asking a respondent to imagine that it is his or her favorite reseller sending the message does not seem to prime receivers with the same effects as brands have.

**The nature of the marketing medium** - A third explanation to the results can be derived from the nature of the message, the e in e-newsletter. The fact that the message is sent electronically and online where behavior and actions of individuals are not as apparent to others, as it is in the offline world, likely mediates the effect of subject lines with social proof appeals. Research on donor behavior has found that even though a person's social network plays a part in a person's likelihood to donate to charity in an offline setting (Croson, Handy & Shang, 2009), online it has no effect (Shier & Handy, 2012). Researchers attribute this to the fact that the prospective donor's online behavior is not as visible to his or her social network as the offline donor behavior is (ibid). The same explanation may be what is causing the results to point at the fact that social proof is not a useful heuristic in getting compliance from consumers via e-newsletters.

#### 4.8.1.1 Content Type

The incorporation of the results from Study 1 into Study 2 allowed for the exploration of differences in how marketing messages are perceived for various content types. The results indicate that one content type was more suitable for supply related scarcity appeals than others, namely promotional information. This suggests that people do in fact react to the threat of losing their freedom of choice, like theory suggests they do, when it comes to e-newsletters containing

information about new products, product features and brand news. Further, the results from the analyses of the impacting affect of content types reiterates the importance of performing Study 1. The type of content that is communicated does affect the level of success the marketing message has. This puts special emphasis on the managerial implications and suggestions for future studies put forth from Study 1.

#### **4.8.1.2 Product Relevance**

Finally, the moderating effects of product relevance was explored in Study 2 and from the results it is clear that the type of product that a marketing message refers to affects the way in which the message is perceived albeit not in interaction with influence principles. Examinations of the differences between the product categories, high- and low-involvement, hedonic, utilitarian, conspicuous and non-conspicuous consumption goods, indicated that there was a statistically significant difference between reported levels of interest, desire and intention for the low-involvement, hedonic and low-involvement, utilitarian products. In other words: subject lines referring to chocolate affected level of interest for the e-newsletter, desire to open the e-newsletter and intentions to open the e-newsletter more than soap did. This is congruent with theory. A low-involvement product is a product a consumer considers, purchases and consumes with little cognitive effort (Percy et al., 2005). A hedonic product (chocolate) is a “feel” product, a product positioned on the opposite end of a “think” product (soap bar), a product which consumers considers, purchases and consumes for the thrill or joy of it (Rossiter & Percy, 1987). Products associated in mind with joyous thoughts are believed to be a major motivator to consumption and are thus more likely to interest us (Hirschman & Holbrook, 1982) – a possible explanation as to why the results indicate significantly higher reported levels of the dependent variables.

As mentioned in the results section, no interaction was found between low-and high-involvement products and influence principles. A reason for this could be that on the one hand high-involvement products are believed to interest consumers and motivate them to acquire more knowledge and information about the product (Zaichkowsky, 1985). This should thus mean that receivers of e-newsletters referring to high-involvement products should report higher levels of intentions to open the newsletter in order to allow them to find out more about the product. On

the other hand, if a consumer is highly involved with a product he or she is less likely to be persuaded by cognitive shortcuts (Petty et al., 2005). This would result in lower reported levels of intentions to open messages with heuristic cues. As there are clearly good reasons for consumers to react in two opposing ways, the no-interaction results can be understood.

Finally, no significant differences between results for conspicuous and non-conspicuous consumption goods were found. This could again be due the close relations conspicuous consumption goods have with social visibility of the consideration, purchase and consumption of them. Just as a person's social network does not affect online donation behavior, a persons conspicuous consumption habits may not play out in the same way online as they do offline (Shier & Handy, 2012). As purchasing or consuming high status products in public is believed to be done in order to signal social belonging to groups and/or improve personal status (Gierl & Huettl, 2010), moving this behavior to the online world, where behavior is less socially visible, may very well affect the attractiveness of, and thus the interest for, a product. This would mean that conspicuous consumption goods are less so online which makes the difference between buying soap and designer clothes online less impactful than hypothesized.

#### 4.8.2 Conclusion

The literature review of this thesis found that social proof and supply related scarcity appeals in marketing messages affect consumers both in offline and online commerce situations. It was thereafter hypothesized that social proof and supply related scarcity appeals would increase e-newsletter receivers' interest in the message, desire, and intentions to open the message. To conclude Study 2, all findings in relation to the research questions are presented below.

**Interest** - The first question to be answered in order to be able to explore the main research question was "Do social proof and scarcity appeals affect consumers' interest for e-newsletters?" Results from Study 2 show that this was not the case but rather, in five of six cases, the neutral subject lines created greater interest than those that included influence principle appeals. For one of the e-newsletter content types, Sale Information, this difference, in the opposite direction from the hypothesis, was significant at a 5% level.

**Desire** - The second question to be answered in order to be able to explore the main research question was “Do social proof and scarcity appeals affect consumers’ desire to open the e-newsletters?” Results indicate that only for one type of influence principles, supply related scarcity, and in the case of one e-newsletter content type, Promotional Information, it does. For other types, no influence principle affected desire in a positive way. Again it is even so that the majority of the control group subject lines returned higher levels of desire to open the e-newsletters than the subject lines including influence principles did.

**Intention** - The third question to be answered in order to be able to explore the main research question was “Do social proof and scarcity appeals affect consumers’ intentions to open e-newsletters?” Results show that, again, only for one influence principle, supply related scarcity, and only in relation to one e-newsletter content type, Promotional Information, this is true. For other types, no influence principle affected intentions in a positive way. The majority of control group subject lines performed better than influence principle containing subject lines did.

#### 4.8.3 Managerial Implications

Study 2 provides useful insights to more than the academic field of marketing. Marketing managers may also benefit from understanding what the results of this thesis indicate. The findings from Study 2 provide managers with evidence that caution should be exercised when employing influence principles. As shown and described before, real-life marketing efforts and e-newsletters are today sprinkled (knowingly or not) with appeals of social proof and scarcity. A better understanding of when these appeals are appropriate, and when they are in fact counterproductive, is therefore important to develop.

It has been mentioned before but is worth bringing forth again that previous research on scarcity appeals in marketing messages has shown that for example demand related scarcity appeals are perceived by consumers to be more deceptive than other appeals (Aguirre-Rodriguez, 2013). Keeping the monetary link e-newsletters provide in mind it is not hard to see that managers benefit greatly from carefully considering the situation influence principles like social proof and supply related scarcity are used in.

#### 4.8.4 Criticism of the Study

The many delimitations this thesis is subject to indicates that the findings in Study 2 may be limited to apply only to the specific situation in which the study was conducted within. In addition to these affecting delimitations, a few remarks of criticism of Study 2 are worth mentioning. An issue that potentially affected the results presented in this thesis is the different languages used in Study 1 and in the preparatory work of Study 2. Again, the intended experimental research design of Study 2 was planned to be conducted in Swedish and therefore the preparatory work, conducted in order to set up for the main study, was conducted in Swedish too. Once the decision was made that Study 2 would obtain data from a questionnaire and a large enough sample size was believed to only be reachable through an English speaking respondent bank, the language was changed. The subject lines found to signal significant amounts of social proof and supply related scarcity in Study 2's test of manipulation, were altered as little as possible in order to minimize the effects of this change. However, as a test of manipulation on the exact copy used in the main study of Study 2 was never performed, the extent to which the used subject lines actually signaled social proof and supply related scarcity was not determined prior to the study and thus the validity of the results could be questions.

Finally, as the products chosen to represent each product category, low- and high-involvement, hedonic, utilitarian, conspicuous and non-conspicuous consumption goods, were so with the help of literature, the level of involvement and relevance each and every respondent actually experiences with each of the products included in the study, is unknown. This too puts a question mark in relation to the validity of Study 2.

#### 4.8.5 Future Research

To the best of my knowledge, this thesis is the first academic research paper attempting to fill the gap in the literature regarding influence principles' affect on the online conversion metric open rate. As the findings of Study 2 are contradictory to theory on social proof and supply related scarcity's mediating effect on marketing message success, it is important that more research on the topic is conducted. More research is needed to investigate if it is in fact so that these influence principles not only do not influence marketing message perception in a positive way but also sometimes affect it in a negative way. The first step to a better understanding of this is to

conduct a similar study to Study 2 but with an experimental research design. This to allow the influence principles to work as true cognitive shortcuts: in a setting where the mind may actually be on the lookout for an escape route out of heavy mental effort. Further it would also be of interest to see studies on other influence principles' affect on e-newsletters. The commonly referred to six influence principles of Cialdini (2007) would be a good start as these have all been scientifically proven to affect human behavior via heuristics, just like social proof and supply related scarcity have (ibid). Studies on how influence principles affect other e-newsletter conversion rates, such as click-through and forward rates, would also be of interest for future researchers to contribute to the literature with.

## REFERENCES

- Aaker, D., Batra, R. and Myers, J. (1992). *Advertising management*. Englewood Cliffs, N.J.: Prentice Hall.
- Aguirre-Rodriguez, A. (2013). The Effect of Consumer Persuasion Knowledge on Scarcity Appeal Persuasiveness. *Journal of Advertising*, 42(4), pp.371-379.
- Allabolag.se, (2014). *allabolag.se* - Företagsinformation om alla Sveriges bolag. [online] Available at: <http://www.allabolag.se>
- Altheide, D. (1996). *Qualitative media analysis*. Thousand Oaks: Sage Publications.
- Amblee, N. and Bui, T. (2011). Harnessing the Influence of Social Proof in Online Shopping: The Effect of Electronic Word of Mouth on Sales of Digital Microproducts. *International Journal of Electronic Commerce*, 16(2), pp.91-114.
- Apsis, (n.d.). Din guide till bra och välskrivna texter för e-post. White papers & rapporter om digital marknadsföring. p.4.
- Barbour, R. (2014). *Introducing qualitative research - a student's guide*. 2nd ed. London: SAGE Publications Ltd.
- Barry, T. (1987). The development of hierarchy of effects: an historical perspective. *Current Issues & Research in Advertising*, 10(2), pp.251-295.
- Brownlow, M. (2012). Email and webmail user statistics. [online] Email-marketing-reports.com. Available at: <http://www.email-marketing-reports.com/metrics/email-statistics.htm> [Accessed 18 Nov. 2014].
- Bryman, A. and Bell, E. (2011). *Business research methods*. 3rd ed. Oxford: Oxford University Press.
- BtoB and Percussion, (2012). *Content Marketing: Ready for Prime Time*. BtoB Research Insights. Woburn, MA: Percussion Software.
- Burnkrant, R. and Cousineau, A. (1975). Informational and Normative Social Influence in Buyer Behavior. *Journal of Consumer Research*, 2(3), p.206.
- Buscarino, C. and Ellefritz, B. (2008). E-mail marketers grapple with reach, relevance. *BtoB*, 93(13), pp.6-12.
- Carr, D. (2014). For Email Newsletters, a Death Greatly Exaggerated. [online] Nytimes.com. Available at: [http://www.nytimes.com/2014/06/30/business/media/for-email-a-death-greatly-exaggerated.html?\\_r=0](http://www.nytimes.com/2014/06/30/business/media/for-email-a-death-greatly-exaggerated.html?_r=0) [Accessed 26 Sep. 2014].
- Cassell, D. (2011). Taking Aim with E-newsletters. *Gourmet Retailer*, 32(6), pp.18-21.
- Cialdini, R. (2007). *Influence*. New York: Collins.
- Cohen, G. (2014). Best Practices for Email Newsletter Content Planning. [Blog] Meet Content. Available at: <http://meetcontent.com/blog/best-practices-email-newsletter-content-planning/> [Accessed 28 Aug. 2014].
- Cohen, J. and Golden, E. (1972). Informational social influence and product evaluation. *Journal of Applied Psychology*, 56(1), pp.54-59.
- Compost, (2014). Optimera din e-postmarknadsföring med A/B test av ämnesraden. [online] Available at: <http://compost.se/inspiration/ab-testa-amnesrad/> [Accessed 28 Aug. 2014].
- Croson, R., Handy, F. and Shang, J. (2009). Keeping up with the Joneses: The relationship of perceived descriptive



- social norms, social information, and charitable giving. *Nonprofit Management Leadership*, 19(4), pp.467-489.
- Cui, X. (2013). Emails in native language triples the click rate - BizGenius Blog. [online] BizGenius Blog. Available at: <http://www.biz-genius.com/blog/emails-in-native-language-triples-the-click-rate/> [Accessed 16 Nov. 2014].
- De Pelsmacker, P., Geuens, M. and Van Den Bergh, J. ed., (2010). *Objectives. In: Marketing Communications: A European Perspective*, 4th ed. Essex: FT Prentice Hall, pp.164-183.
- Deutsch, M. and Gerard, H. (1955). A study of normative and informational social influences upon individual judgment. *The Journal of Abnormal and Social Psychology*, 51(3), pp.629-636.
- Dhar, R. and Wertenbroch, K. (2000). Consumer Choice Between Hedonic and Utilitarian Goods. *Journal of Marketing Research*, 37(1), pp.60-71.
- DIBS Payment Services, (2014). Svensk E-handel. DIBS årliga rapport om e-handel, mobil handel och betalning. Stockholm: DIBS Payment Services, pp.7-38.
- Flick, U. (2014). *An introduction to qualitative research*. 5th ed. London: Sage.
- Gabler, C. and Reynolds, K. (2013). Buy Now or Buy Later: The Effects of Scarcity and Discounts on Purchase Decisions. *The Journal of Marketing Theory and Practice*, 21(4), pp.441-456.
- Ghauri, P. and Grønhaug, K. (2010). *Research methods in business studies*. 4th ed. New York: Prentice Hall.
- Gierl, H. and Huettl, V. (2010). Are scarce products always more attractive? The interaction of different types of scarcity signals with products' suitability for conspicuous consumption. *International Journal of Research in Marketing*, 27(3), pp.225-235.
- Gilbert, D., Fiske, S. and Lindzey, G. (1998). *The handbook of social psychology*. Boston: McGraw-Hill.
- Goldstein, N., Cialdini, R. and Griskevicius, V. (2008). A room with a viewpoint: Using social norms to motivate environmental conservation in hotels. *Journal of consumer Research*, 35(3), pp.472--482.
- Gov.uk, (2014). Marketing and advertising: the law - GOV.UK. [online] Available at: <https://www.gov.uk/marketing-advertising-law/direct-marketing> [Accessed 6 Dec. 2014].
- Griskevicius, V., Goldstein, N., Mortensen, C., Sundie, J., Cialdini, R. and Kenrick, D. (2009). Fear and loving in Las Vegas: Evolution, emotion, and persuasion. *Journal of Marketing Research*, 46(3), pp.384--395.
- Guba, E. and Lincoln, Y. (1994). Competing Paradigms in Qualitative Research. In: N. Denzin and Y. Lincoln, ed., *Handbook of qualitative research*, 1st ed. Thousand Oaks, CA: Sage, pp.105-117.
- Ha, L. and Litman, B. (1997). Does Advertising Clutter Have Diminishing and Negative Returns?. *Journal of Advertising*, 26(1), pp.31-42.
- Hair, J., Money, A., Samouel, P. and Page, M. (2007). *Research methods for business*. West Sussex: John Wiley & Sons, Ltd.
- Hirschman, E. and Holbrook, M. (1982). Hedonic Consumption: Emerging Concepts, Methods and Propositions. *Journal of Marketing*, 46(3), p.92.
- Kahneman, D. (2011). *Thinking, fast and slow*. New York: Farrar, Straus and Giroux.
- Katz, M. (2004). Creating E-Newsletter Content. *Journal of Tax Practice Management*, 3(3), pp.35-40.

- Kelman, H. (1961). Processes of Opinion Change. *Public Opinion Quarterly*, 25(1), p.57.
- Klein, L. (2002). An e-newsletter can enhance your agency's marketing efforts. *National Underwriter / Life & Health Financial Services*, 106(47), p.8.
- Kuan, K., Zhong, Y. and Chau, P. (2014). Informational and Normative Social Influence in Group-Buying: Evidence from Self-Reported and EEG Data. *Journal of Management Information Systems*, 30(4), pp.151-178.
- Laurent, G. and Kapferer, J. (1985). Measuring Consumer Involvement Profiles. *Journal of Marketing Research*, 22(1), p.41.
- Levey, R. (2011). Strip it Down - Less can sometimes be more in e-newsletter design. *Chief Marketer*, 3(2), p.36.
- Lynn, M. (1992). Scarcity's Enhancement of Desirability: The Role of Naive Economic Theories. *Basic and Applied Social Psychology*, 13(1), pp.67-78.
- Lystig Fritchie, L. and Johnson, K. (2003). Personal selling approaches used in television shopping. *Journal of Fashion Marketing and Management: An International Journal*, 7(3), pp.249-258.
- Machleit, K., Allen, C. and Madden, T. (1993). The Mature Brand and Brand Interest: An Alternative Consequence of Ad-Evoked Affect. *Journal of Marketing*, 57(4), p.72.
- Machleit, K., Madden, T. and Allen, C. (1990). Measuring and Modeling Brand Interest as an Alternative Aad Effect with Familiar Brands. *Advances in Consumer Research*, 17, pp.223-230.
- MailChimp, (2014). Best Practices for Email Subject Lines. [online] Available at: <http://kb.mailchimp.com/article/best-practices-in-writing-email-subject-lines> [Accessed 28 Aug. 2014].
- MailerMailer, (2013). Email Marketing Metrics Report. Email Marketing Metrics Report.
- Marrs, M. (2013). How to Create Squeeze Pages: What Makes an Awesome Squeeze Page Design?. [Blog] WordStrem. Available at: <http://www.wordstream.com/blog/ws/2013/09/16/squeeze-page> [Accessed 28 Aug. 2014].
- Martin, B., Van Durme, J., Raulas, M. And Merisavo, M. (2003). Email Advertising: Exploratory Insights from Finland. *J. Adv. Res.*, 43(03), pp.293-300.
- McEleny, C. (2010). Mothercare offers pregnant women advice via content-rich e-newsletters. *New Media Age*, p.7.
- McGrath, M. and Otnes, C. (1995). Unacquainted Influencers: When Strangers Interact in the Retail Setting. *Journal of Business Research*, 32(3), pp.261-272.
- McKinsey & Company, (2014). Why marketers should keep sending you e-mails. Insights & Publications. McKinsey & Company.
- Milgram, S. (1963). Behavioral Study of obedience. *The Journal of Abnormal and Social Psychology*, 67(4), pp.371-378.
- Milgram, S., Bickman, L. and Berkowitz, L. (1969). Note on the drawing power of crowds of different size. *Journal of Personality and Social Psychology*, 13(2), pp.79-82.
- Miquel-Romero, M. and Adame-Sánchez, C. (2013). Viral marketing through e-mail: the link company-consumer. *Management Decision*, 51(10), pp.1970-1982.
- Mittal, B. and Lee, M. (1989). A causal model of consumer involvement. *Journal of Economic Psychology*, 10(3),

pp.363-389.

Nahai, N. (2012). *Webs of influence*. Edinburgh Gate: Pearson Education Limited.

Nodder, C. (2013). *Evil by design*. Indianapolis, IN: John Wiley & Sons.

Nordfält, J. (2011). *In-store marketing*. Västerås: Market.

Norris, V. (1980). Advertising History-According to the Textbooks. *Journal of Advertising*, 9(3), pp.3-11.

Pelsmacker, P., Geuens, M. and Bergh, J. (2010). *Marketing communications*. Harlow: Financial Times Prentice Hall.

Petty, R., Cacioppo, J., Strathman, A. and Priester, J. (2005). *To think or not to think: exploring two routes to persuasion*. In: C. Brock and M. Green, ed., *Persuasion: Psychological insights and perspectives*, 2nd ed. Thousand Oaks, CA: Sage Publication, pp.81-116.

Powerprodirect.com, (2014). Email Statistics. [online] Available at:  
<http://www.powerprodirect.com/statistics?limitstart=0> [Accessed 18 Nov. 2014].

PR Newswire US., (2014). Businesses Face Ethical Dilemmas as Content Marketing Proliferates. p.1.

Raphael, T. (2012). 6 Tips for Boosting Newsletter Open Rates. Folio: *The Magazine for Magazine Management*, 41(8), p.28.

Reno, R., Cialdini, R. and Kallgren, C. (1993). The transsituational influence of social norms. *Journal of Personality and Social Psychology*, 64(1), pp.104-112.

Resnick, M. and Albert, B. 2013. The Impact of Advertising Location and User Task on the Emergence of Banner Ad Blindness: An Eye Tracking Study. *International Journal of Human-Computer Interaction*, (just-accepted).

Return Path, (2013). Return Path Email Intelligence Report Placement Benchmarks, 1H 2013. Email Intelligence Report Placement Benchmarks.

Roethlisberger, F. and Dickson, W. (1939). *Management and the worker: an account of a research program me conducted by the western electric company, Hawthorne Works, Chicago*. Cambridge, MA: Harvard University Press.

Rossiter, J. and Percy, L. (1987). *Advertising and promotion management*. New York: McGraw-Hill.

Scott, J. (1990). *A matter of record*. Cambridge, MA: Polity Press.

Shier, M. and Handy, F. (2012). Understanding online donor behavior: the role of donor characteristics, perceptions of the internet, website and program, and influence from social networks. *International Journal of Nonprofit and Voluntary Sector Marketing*, 17(3), pp.219--230.

Shu, W. and Cheng, C. (2012). How to improve consumer attitudes toward using credit cards online: An experimental study. *Electronic Commerce Research and Applications*, 11(4), pp.335--345.

Söderlund, M. (2001). *Den loyala kunden*. Helsingborg: Liber ekonomi.

Söderlund, M. (2005). *Mätningar och mått*. Malmö: Liber ekonomi.

Söderlund, M. (2010). *Experiment med människor*. Malmö: Liber.

Srinivasan, S., Vanhuele, M. and Pauwels, K. (2010). Mind-Set Metrics in Market Response Models: An Integrative Approach. *Journal of Marketing Research*, 47(4), pp.672-684.

- The Nielsen Company, (2013). Global trust in advertising report. The Nielsen Global Survey. pp.8-11.
- University of Washington, (2012). Best Practices for Developing Effective E-Newsletter Content. Marketing Files, Content Files. Seattle, WA: 3.
- Van Herpen, E., Pieters, R. and Zeelenberg, M. (2009). When demand accelerates demand: Trailing the bandwagon. *Journal of Consumer Psychology*, 19(3), pp.302--312.
- Van Herpeti, E., Pieters, R. and Zeelenberg, M. (2005). How Product Scarcity Impacts on Choice: Snob and Bandwagon Effects. *Advances in Consumer Research*, 32(1), pp.623-624.
- Van Kerckhove, A., Geuens, M. and Vermeir, I. (2012). A Motivational Account of the Question-Behavior Effect. *Journal of Consumer Research*, 39(1), pp.111-127.
- Verhallen, T. and Robben, H. (1994). Scarcity and preference: An experiment on unavailability and product evaluation. *Journal of Economic Psychology*, 15(2), pp.315-331.
- Wooten, D. and Reed, A. (1998). Informational Influence and the Ambiguity of Product Experience: Order Effects on the Weighting of Evidence. *Journal of Consumer Psychology*, 7(1), pp.79-99.
- Worchel, S., Lee, J. and Adewole, A. (1975). Effects of supply and demand on ratings of object value. *Journal of Personality and Social Psychology*, 32(5), pp.906-914.
- Zaichkowsky, J. (1985). Measuring the Involvement Construct. *Journal of Consumer Research*, 12(3), p.341.
- Zhang, X., Li, S., Burke, R. and Leykin, A. (2014). An Examination of Social Influence on Shopper Behavior Using Video Tracking Data. *Journal of Marketing*, 78(5), pp.24-41.

## APPENDIX I – STUDY 1: The Coding Manual

### SENDER

Data referring to the sender of the e-newsletter should be classified according to the table below specifying what sender is given what code

Sender	Code
Elgiganten	1
Ticket.se	2
Apoteket Hjärtat	3
Glossybox Sverige	4
Willy's	5
Interflora	6
Adlibris	7
Film2home	8
Nöjesguiden	9
Telia	10
Bookatable	11
Club Clas	12
Cervera	13
Plantagen	14
Lindex	15
Runners' Store	16

### DIBS INDUSTRY

Within what industry the sender operates should be classified with the help of the industry definitions given by the DIBS "svensk E-handel" report

DIBS industry classification	Code
Elgiganten	1
Ticket.se	2
Apoteket Hjärtat	3
Glossybox Sverige	4
Willy's	5
Interflora	6
Adlibris	7
Film2home	8

### DATE

What date the e-newsletter was sent should be classified according to the table below specifying what date is given what code

Date	Code
2014-06-01	1.01

2014-06-03			1.03
...			
2014-09-30			4.30
<b>CONTENT</b>			
What the content of the e-newsletter should be classified as should be determined with the help of the explanations of the categories listed below			
<b>Content</b>	<b>Explanation</b>	<b>Example</b>	<b>Code</b>
Promotional Information	Content communicating news or information related to products or the brand. The information is not time nor quantitatively restricted.	The arrival of a new product, information about product features, brand news such as "next we collaboration with.." or lowered prices on a set of products (for a time period not specified)	1
Special Offers	Content communicating information about campaigns and offers that are time or quantitatively sensitive. Promotions called "sales" should not be included.	Information about a promotion valid for a limited time, an event open to only a limited number of guests or "first come, first serve"	2
Competition Information	Content communicating the terms and conditions of campaigns with competitive characteristics	Information about a competition to win a gift card	2
Sale Information		Information about the start of a sale	3
Promotional Information and Special Offers			4
Promotional Information and Sale Information			5
Special Offers and Sale Information			6

## APPENDIX II – STUDY 1: Test of Manipulation



Bäste enkätentusiast,

Följande enkät utförs i samband med skrivandet av min masteruppsats. Enkäten består av 9 delar och tar ungefär 5 minuter att svara på.

Tack för din medverkan!

//Johanna

Du har godkänt att ditt favorit e-handels företag "E-handeln" sänder dig nyhetsbrev. Du finner följande email i din inkorg:

INKORG		
Avsändare		Datum
E-handeln		Sep 30
Upptäck höstens nyheter!		

Till vilken grad anser du att ämnesraden förmedlar att erbjudandet bara finns i begränsat antal? Ange nedan på skalan där 1 motsvarar "förmedlar inte alls" och 5 motsvarar "förmedlar väldigt starkt"

1	2	3	4	5
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Till vilken grad anser du att ämnesraden förmedlar att erbjudandet är populärt hos andra konsumenter? Ange nedan på skalan där 1 motsvarar "förmedlar inte alls" och 5 motsvarar "förmedlar väldigt starkt"

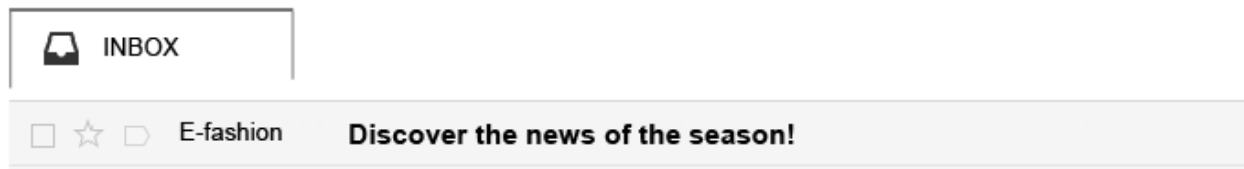
1	2	3	4	5
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## APPENDIX III – STUDY 2: The Questionnaire



The following page presents a scenario of email inbox browsing. Please read the text carefully before you answer the subsequent questions. The survey takes no more than 3 minutes to complete. Responses are anonymous.

You have accepted that your favorite online designer clothing reseller called "E-fashion" sends you electronic newsletters. One day while you are browsing your email inbox, you receive an email from E-fashion with the subject line "Discover the news of the season!"



Please indicate to what extent you agree with the following statements:

	Strongly Disagree	Disagree	Somewhat Disagree	Neither Agree nor Disagree	Somewhat Agree	Agree	Strongly Agree
I am intrigued by the subject line	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
I am curious about the email	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
I would like to learn more about the email	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
I am interested in the content of the email	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
I find the content of the email valuable	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
I would be likely to open the email if it was sent to me	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

What year were you born?

(recorded with the help of scroll-down box with years)



What is your gender?

- ☐ Male
- ☐ Female

What is the highest level of education you have completed?

- ☐ Less than High School
- ☐ High School / GED
- ☐ Some College
- ☐ 2-year College Degree
- ☐ 4-year College Degree
- ☐ Masters Degree
- ☐ Doctoral Degree
- ☐ Professional Degree (JD, MD)

What is your combined annual household income?

Begin Choices w/o choice groups

- ☐ Less than 30,000
- ☐ 30,000 – 39,999
- ☐ 40,000 – 49,999
- ☐ 50,000 – 59,999
- ☐ 60,000 – 69,999
- ☐ 70,000 – 79,999
- ☐ 80,000 – 89,999
- ☐ 90,000 – 99,999
- ☐ 100,000 or more