CORPORATE ADVERTISING IN THE UNITED STATES AND JAPAN:
A COMPARATIVE ANALYSIS OF NEWSPAPER ADVERTISING

by

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ABSTRACT

This thesis is a comparative analysis of corporate advertising in the United States and Japan. It identifies several differences between the U.S. and Japanese corporate ads in terms of their objectives, topics, sponsors, and execution. The analysis links observed differences in the application of corporate advertising to structural differences between the U.S. and Japanese society including: conflict vs. consensus-based public policy-making, the distribution of power among various social groups, the corporate ownership structure, and the corporate-employee relationship.

This thesis examines how these differences between the U.S. and Japanese social systems, especially in terms of the corporate-social environment, are reflected in differences in corporate advertising content. For example, the results show that U.S. organizations use more issue advertising as a means to express the sponsor's point of view on the social issues. In the U.S., where public policy is formed through debate among various groups, organizations need to address their opinion to
influence public. Often, the differences found are most extreme in the *New York Times*, in a manner consistent with its readership which includes influential public policymakers. In addition to the observed differences, some similarities of corporate advertising use also emerged between the U.S. and Japan.

Ultimately, the results of this project are informative, not only about differences in corporate advertising, but also differences between the two societies themselves.
Chapter 1
INTRODUCTION

1.1 Introduction

Organizations strive to maintain the most conducive operating environment possible by using public communication. Corporate advertising, broadly defined as "the type of advertising which is not designed mainly to sell products or services, but is rather designed to promote the organization's image, viewpoint, etc." (Rau & Preble, 1988, p. 293), is an important means to influence this environment (Cutlip, Center, & Broom, 1985). This form of advertising can be used for wide-ranging purposes—from an educational or political tool to sophisticated marketing support. Unlike commercial advertising which is designed to promote sales directly, the ultimate goal of corporate advertising is to create favorable relationships with the environment by presenting the corporation as a responsible corporate citizen, with its images, values, activities, and views on social issues (Waltzer, 1988). It is important to the success of corporate advertising, as it attempts to shape the environment, to be consistent
with the social system in which the organization exists. As a result, corporate advertising should reflect the social system.

The current study is designed to examine differences in corporate advertising as a reflection of the differences between two systems—the United States and Japan. Today, both the U.S. and Japan have enormous political and economic influence in the world. These two countries are tightly interconnected in several respects such as business, economy and politics. The increasing interdependence between the U.S. and Japan will require more effective communication. For example, as Japanese corporations expand operations in the U.S., the importance of public communication for Japanese corporations in American society increases, and vice versa. Nevertheless, it is pointed out that business people in both the U.S. and Japan do not understand each others’ social systems and specific communication processes very well ("Japanese," 1990). Understanding each others’ social differences and similarities may help corporations to plan competent public communication in both the domestic and international context.

Although corporate advertising has been actively studied in the U.S. since the 1970s, this has not been the case in Japan. Wokutch (1990) stated that continuing
increases in economic prosperity and the fulfillment of basic economic needs in Japan would place greater social responsibility on corporations. It is conceivable that the Japanese concern for corporate advertising will increase in the near future. As a result, it is meaningful at this point to introduce to Japan the extensive discussion of corporate advertising in the U.S. This study is also the first attempt to closely examine the use of corporate advertising in Japan.

The purposes of this study are: 1) to characterize the differences in the corporation-society environment between the U.S. and Japan, 2) to highlight the social and political differences between the U.S. and Japan which may influence the content of corporate advertising, 3) to review the previous studies and develop a framework for categorizing corporate advertising, and 4) to analyze differences between U.S. and Japanese corporate advertising. A content analysis of corporate advertising in the leading newspapers of both countries will examine the relationship between the corporate-social environment and the corporate advertising which is produced.

1.2 Theoretical Overview

This study examines the basic proposition that corporate advertising content, as a cultural indicator, should reflect the structure of the social system in which
it is produced. This question is the product of a rich theoretical heritage surrounding the relationship between systematic structure and cultural artifacts.

Traditional Marxist cultural theory argues that the superstructure (culture) is determined by the base (social structure or social system; Williams, 1973). Semantically, the word "determine" here does not mean that an external cause totally predicts or controls a subsequent activity. More recent formulations of Marxist cultural theory have abandoned rigid economic determinacy. According to Williams, there is no direct causal linkage between base and superstructure. Rather, there is an essential homology or correspondence of structures between them.

For traditional Marxists, the base means the system of economic production. However, Williams (1973) expanded the concept of base and defined it as the specific activities of human beings in real and dynamic social and economic relationships. The new definition of base, which emphasizes dynamic relationships, is useful because modern industrial societies have very complex links between political, economical and social activities.

Thus, Marxist cultural theory may be applied to the analysis of differences among various social systems beyond the differences between specific modes of
production (i.e., capitalist versus communist) or specific stages of economic development (i.e., developed country versus less developed country).

For instance, in a broad political and economic sense, both the U.S. and Japan are categorized as capitalist, democratic and developed countries. However, upon closer examination, the U.S. and Japanese societies are quite different. The U.S. system is characterized by conflict-oriented decision-making, countervailing power relations between business, government and social groups, and corporate concern for the profit of stockholders. To the contrary, Japanese system is characterized by consensus-oriented decision-making, strong governmental leadership, and less concern for its stockholders' profit. Using a less traditional definition of economic base, there are significant differences between the economic structures of the U.S. and Japan.

For the current study based on the Marxist cultural analysis, it is important to distinguish the concept of "social system" from "culture." Kroeber and Parsons (1958) pointed out that there has been confusion because culture and social system are not concrete sets of phenomena; rather, culture and social system are two different but related abstract elements in social phenomena. Kroeber and Parsons defined culture and social
system for the analytical distinctions between these two concepts; social system refers to the specifically relational system of interaction among individuals and collectivities. Thus, the patterns of interactions among individuals and groups (e.g., corporations and their employees, governmental agencies, social interest groups, and so on) characterize a social system. On the other hand, culture is defined as following:

transmitted and created content and patterns of values, ideas, and other symbolic-meaningful systems as factors in the shaping of human behavior and artifacts produced through behavior (Kroeber & Parsons, 1958, p. 583).

Thus, culture refers to symbolic and meaningful products of interactions, such as values, ideologies, or norms in a society.

This definition implies that culture itself is an abstract phenomenon which cannot be directly observed. However, as Rosengren (1983) stated, culture has material embodiments in such forms as mass media content. These material embodiments of culture are called "cultural indicators," which correspond to a specific social system. Because media content as a cultural indicator reflects some feature of a social system, media content can be used for the comparison of different systems (McQuail, 1987).

In many cases, comparative analyses of mass media have focused on news and entertainment content. However,
interest into a framework of national needs or goals. Second, in the U.S. competing social power exists among government, business and social groups. In Japan, the governmental leadership in business and public policy is more prevailing. Third, as mentioned above, there is a substantial discrepancy between U.S. and Japanese corporate ownership; U.S. corporations are basically owned by individual stockholders while Japanese stockholders have far less influence over management. Based on the theoretical framework discussed in the previous section, it is hypothesized that these structural differences will be reflected in the content of corporate advertising in both societies.

1.4 Outline
In Chapter 2, the business-society relationships in the U.S. and Japan are discussed. In Chapter 3, previous studies and findings of corporate advertising in the U.S. are reviewed. Then, a framework for categorizing corporate advertising based on its objectives is developed. In the final part of Chapter 3, research hypotheses are stated. Chapter 4 presents the methodology of this analysis. Chapter 5 presents the results. The final Chapter discusses implications of these findings.
Chapter 2

ORGANIZATIONAL ENVIRONMENT IN THE UNITED STATES AND JAPAN

2.1 The Political and Social Environment In the U.S.

2.1.1 The Changing Business Environment

The contemporary business-society environment in the U.S. has undergone tremendous changes over the last three decades. Especially during the 1960s and 1970s, fundamental shifts in the business-society contract occurred. Before that time, the basic mission of business was to provide goods and services for profit. In doing this, business was considered to be fulfilling its contribution to society (Buchholz, 1985). Because government and other external organizations did not significantly interfere with corporations' performance, the corporations did not pay much attention to the political and social environment (Buchholz, 1989).

However, after the 1960s, the American people came to realize that economic growth did not always mean a better society. Rather, the pursuit of economic growth caused many social problems such as pollution,
discrimination, unsafe workplaces, poor product quality and so on. Consequently, criticism and distrust of corporations occurred in the public sector from consumers, opinion leaders, activist groups, and journalists. These people began to act against corporations directly, and through the media. They pressed the government to regulate corporate activities for social welfare (Buchholz, 1985; Wokutch, 1990). Corporations began to realize that they had to deal with this fundamental change. Business and academic circles discussed the new basic corporate mission beyond economic goals. The concept "Corporate Social Responsibility (CSR)" thus received increasing attention (Buchholz, 1985; Wokutch, 1990). The arguments of CSR focused on the competence and legitimacy of business firms in undertaking social welfare (Rau, 1983).

2.1.2 Corporate Social Responsibility and Public Policy

The contemporary usage of CSR can be traced to the work of Bowen in 1953 (Buono & Nichols, 1985). He stated that a corporation should expand its social role to improve the general quality of life in society and that the decision should be made in the environmental context by responding to new public demands. Since Bowen's discussion, a large volume of literature arguing about CSR has appeared. Some literature supported and expanded the
concept that a corporation has not only economic obligations but also certain responsibilities to society beyond these obligations, while others oppose the view (Buono & Nichols, 1985). Despite extensive discussion, there is no clear-cut consensus on the specific nature of CSR; there are still questions as to what extent corporations should take social responsibility and why they should do so.

There are three major interpretations of CSR (Buono & Nichols, 1985; Wokutch, 1990). First, the Traditional Viewpoint, articulated by conservative economists such as Friedman, who argue that the only corporate social responsibility is to increase profits for stockholders. According to Friedman (1970), in a free-enterprise system the managers of a corporation are only salaried employees of the owners and are bound to earn the highest return on the owners' investment. They have no legal or moral right to pursue any other social objectives. Furthermore, Friedman (1962) stated that governments maintain law and order for corporate activities; however, the function of the governments should be limited as much as possible. Friedman also had a view that "business sectors can serve the public interests most effectively when it serves its own private interests" (Buono & Nichols, 1985).
practice, because failure to deal with social concerns results in the long term loss of profits (Buchholz, 1985; Wokutch, 1990). While the cost to serve social issues may reduce short-run profits, in the long-run period the cost will produce a favorable environment for business survival and continued profitability (Buono & Nichols, 1985). For example, social responsibility may preclude government regulation which could cost the corporation a substantial amount of money. Social responsibility may also improve the corporation's public image, which may bring more customers, more sales of products, better employees, higher productivity, or better stock market performance (Buchholz, 1989; Wokutch, 1990).

These interpretations remain at the conceptual level and do not provide any clear operational guidelines for corporate behavior. Both the Altruism and ESI viewpoints underestimate the pressure of the competitive environment in which corporations function (Buchholz, 1985). Corporations respond to social expectations in several ways, such as building plants in disadvantaged areas, creating training programs for disadvantaged people, and encouraging the employees to work in local communities. Corporations are also involved in redesigning products to be less polluting, developing aid programs for people in need, improving the quality and
safety of products and so on. However, these corporate activities have not met public expectations (Buchholz, 1989). Corporations are somewhat limited in their ability to respond to social problems and remain competitive in the market unless regulations are applied equally to all firms. As a result, the importance of public policy (the governmental principles and activities that regulate business behavior and make business respond to social problems) expanded in the 1960s and 1970s (Buchholz, 1985; Preston & Post, 1975).

During the 1960s and 1970s, the government was engaged in enacting over one hundred new laws regulating business activity. For example, in 1979, the number of pages of government regulation in the Federal Register showed a 305 percent increase over the previous eight years (Buchholz, 1985). These new regulations were concerned more with social considerations related to improving the quality of life (i.e., consumer safety and health, job safety, working conditions, environment, and energy) than with economic matters (i.e., productivity, growth, employment, and inflation; Buchholz, 1989).

This regulatory role of government expanded until the emergence of the Reagan Administration in 1980. President Reagan reduced regulations on business and the role of the government in order to stimulate the national
economy (Buchholz, 1989). This political change caused new debate about the proper balance and relationship between business and government. This debate is strongly related to the extent and goals of public policy in U.S. society.

2.1.3 The Business-Government Relationship in the U.S.

The influences and the goals of public policy reflect the government-business relationship in a society. Compared to some other Western countries and Japan, in the U.S. there are more conflicts between business and government. In addition, business institutions are more independent from the government. In other countries, such as Britain, France, Germany or Japan, a substantial civil bureaucracy existed long before the emergence of big business. In these countries, big business has been directed and regulated or even built and owned by the governments. On the other hand, in the U.S., big business enterprises first appeared at the turn of this century, while comparable administrative hierarchies in government came later during the New Deal period and World War II. Thus, when government did begin to grow, it was seen as a potential threat to free enterprise system or business independence (McCraw, 1984). The government has been expected to stay out of as many business areas as possible. However, as discussed, there is broad public
agreement that government is the appropriate body to formulate public policy in response to changing public expectations. Therefore, CSR is supposed to follow the direction of society as expressed through the public policy process (Buchholz, 1989). On the other hand, American corporations, which regard themselves as the countervailing power to the government, attempt to get involved in public policy formulation through proactive anticipation rather than passive reaction. Furthermore, the reduction of the governmental role since 1980 also leads corporations to take on more responsibilities and services previously provided by the government (Buchholz, 1989; Cutlip et al., 1985; Rau, 1983). In conclusion, American public policy is formulated through conflict between social and economic interests.

2.1.4 Issues Management and Corporate Advertising

Corporations have been trying to adapt themselves to the political and social environment changes by influencing the public policy process and enhancing their social responsibility in a variety of areas—concern for the environment, support for education and the arts, and so on. As a result, the concept of issues management was developed during the 1970s and 1980s. Issues management refers to an organized and intelligent effort to affect,
initiate or dispel public issues which affect the organization's activities (Heath & Cousins, 1990).

Communication plays the central role for issues management because it is the way to monitor public expectation and to demonstrate the corporation's achievement in the area of social responsibility. Issues management communication must be targeted to those who are considerably influential in public policy formulation. While governmental officials are the most influential, activist and other social groups concerned with the social aspects of the American life--environmentalists, consumer groups, labor unions, civil rights organizations, and churches--are the other key players in the public policy process. People organize and support such groups because they share common attitudes or values on a particular issue. These groups represent public interests beyond the capacities of individuals and generate ideas to influence the public policy agenda (Buchholz, 1985).

Whereas lobbying is seen as the most useful tool to influence government officials (Rau, 1983), corporate advertising is an effective way to reach the activist groups and the general public (Cutlip et al., 1985). Therefore, corporate advertising, an effective method for a corporation to modify its environment, has been increasingly employed since the early 1970s (Rau, 1983).
2.2 The Political and Social Environment in Japan

2.2.1 Corporate Social Responsibility in Japan

The fundamental change in the business environment that began in the 1960s and expanded during the 1970s in the U.S. also emerged in Japan during the 1970s.

Since the end of World War II, most Japanese people have accepted the pursuit of material fulfillment as a national goal to rebuild the fully-destroyed economy. However, the extreme rapid economic growth brought a number of serious social problems. The most serious problem was a series of environmental diseases caused by industrial pollution, which eventually resulted in hundreds of deaths and thousands of afflicted people. By the early 1970s, corporate responsibility for environmental problems became a public concern and an important political issue in Japan (Richardson, Upham, & Campbell, 1981). For example, in a 1971 nationwide survey, 50% of the respondents stated that pollution was caused by the lack of responsibility of business firms; and in another survey, 51% preferred less pollution even at the cost of lower economic growth (Sethi, 1975, p. 9).

The next turning point came in 1973, when the oil embargo of the Middle East occurred. As people realized how vulnerable and dependent the Japanese economy was,
public confidence in the belief that economic growth would bring them a better life shifted toward skepticism. Furthermore, criticism of corporations' pursuit of profits rose among the public (Dentsu PR Center [Dentsu], 1988). The Japanese government was forced to shift its primary policies: from promoting industry to improving public welfare (Sethi, 1975).

The Japanese CSR was already promoted in 1956 by the Keizai Doyukai (the Japanese version of the Committee for Economic Development). The committee stated that business should be conscious of and practice social responsibility rather than focusing on private profits of the enterprises alone. However, at that point the majority of businesses and the public were not contemplating this concept because there was still lack of basic economic needs among them (Mafune, 1988).

Even after the 1970s, the discussion of CSR has not been very active in the business and academic circles in Japan (Wokutch, 1990). Although there has been a broad agreement that corporations should take on social responsibilities beyond profit-making, the legitimacy and extent of CSR has not been argued in depth. The conceptual definition of CSR is tentative and varies among corporate managers. For example, Kusumoto (1989), the CEO of the Minolta Corporation, said that CSR in Japan usually
means just taking care of your own employees. In addition, the Ministry of International Trade and Industry (MITI; the Japanese Department of Commerce) concluded in a survey conducted after the oil crisis that Japanese CSR should be based on the continuous conversation between business and society (Mafune, 1988). Thus, the conceptual and operational standards of CSR in Japan have been decided through on-going, adaptive processes of consensus-building.

Wokutch (1990) pointed out that the different attitudes toward CSR between the U.S. and Japan are related to the contrasting relations between business and the government, employees, consumers, activist groups, stockholders, and so on. In the following sections, these relationships in Japan are examined in comparison to those in the U.S.

2.2.2 The Business-Government Relationship in Japan

In contrast to the U.S., business-government relations in Japan have been characterized as harmonious collaboration (often called Japan Inc.; Ruch, 1984). The history of modern business-government relations can be traced back to the Meiji period which began in 1886. At the beginning, the priority of the Meiji government was to catch up with the Western countries. For that purpose, the government created heavy industries, banking systems,
and military systems under the slogan of **Fukoku kyohei** (rich country and strong army). Later on, many of the heavy industries were sold to and run by private enterprises which were strongly tied to political power holders. As a result, the high level of centralization in the economy and the general attempt to allocate resources for government-imposed goals continued until the end of World War II. This political and economic centralization was completely broken down in 1945. However, the legacy of bureaucratic leadership and political-industrial cooperation remained in the post-war society (McMillan, 1985).

Formally, the structure of business-government relations is similar in Japan and the U.S.; administrative policy in both countries is formed through a mixture of formal leadership and informal consultation (Richardson et al., 1981). However, compared to the U.S., Japanese business-government relations involve constant and quite detailed levels of interaction between corporate executives and government ministers. Both business and government attempt to reach an overall consensus on a long range vision despite the constant disagreement and conflict on short-term goals (Drucker, 1981; McMillan, 1985).
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The stability of regulatory relations in Japan is also related to national politics—the virtual dominance of the Liberal Democratic Party (LDP) during the entire post-war era (Wokutch, 1990). The conservative hegemony also helps government and business to shape long-term national goals. Public policy in Japan has been formulated through the on-going interaction between business and government, reflecting non-ideological and pragmatic adjustment to circumstances (McMillan, 1985). When business executives, LDP leaders, and bureaucrats reach a consensus, business voluntarily cooperates for the achievement of the policy (Richardson et al., 1981).

2.2.3 The Relation Between Business and Social Groups

Japanese consumer and social groups have been a relatively weak force compared to those in the U.S. (Wokutch, 1990). The close business-government relationship has sometimes put a low priority on consumer interests in the name of profit maximization for the entire nation (Sethi, Namiki, & Swanson, 1984). Like most countries, there are a variety of social activist groups in Japan—from left- or right-wing extremists to general quality-of-life advocates (Richardson et al., 1981). They are engaged in a wide range of political activities such as lobbying, mass demonstration or terrorism. Yet, Japanese activist groups are not well-organized compared
to those in the U.S. which have been influential in public policy issues (Wokutch, 1990). The majority of Japanese employees do not belong to social groups outside the corporations where they work. Because an individual is only allowed to be represented by one group at a time in Japan, corporate leaders and employees do not belong to groups representing their non-business interests.

American business people, on the other hand, can select a number of groups to represent their various interests (Sethi, 1975). In many cases, Japanese activist groups face difficulty in obtaining wide-spread public participation. Thus, Japanese corporations are less concerned with the demands of these groups (Wokutch, 1990).

In addition, as the social groups and general public pose less potential threat to corporate well-being in Japan, the philanthropic activities to create goodwill among the public are not necessary. Furthermore, the notion of charitable contributions rooted in Judeo-Christian traditions, is an unfamiliar idea for most Japanese (Wokutch, 1990). As a result, Japanese corporations are not expected to take altruistic social responsibility which is an important element of issues management in the U.S.
2.2.4 The Financial and Employee Relations in Japan

The financial relations in Japan are quite different from the U.S.; Japanese stockholders influence management far less than in America. One reason is that only 20% of Japanese corporate funding comes from stockholders while 80% comes from banks. In America, the reverse is true; 80% is from stockholders. Furthermore, American stockholders consider themselves to be owners of the company, while Japanese stockholders view their holdings as simply savings accounts (Ruch, 1984). In Japan, both management and labor believe that the company belongs to them, not to the stockholders. Some studies (Pettway & Yamada, 1986) showed that most Japanese managers do not think that increasing investment return is an important corporate goal, whereas American managers often regard stockholder profits as the primary objective. In addition, most public owned shares in Japan are owned by the same affiliated groups called Keiretsu. A Keiretsu consists of main banks and corporations from various industries; these members are financially and operationally dependent on each other. Pettway and Yamada concluded that this Japanese corporate collectivism has resulted in two distinct differences from the U.S.: Japanese companies do not have as much responsibility to stockholders as do their American counterparts, and there
are far fewer possibilities of mergers and acquisitions in Japan than in the U.S.

With respect to employee relations, Japanese business has very stable and predictable relations with labor (Wokutch, 1990). As mentioned above, both managers and employees tend to believe that the corporation belongs to all of its members. In most cases, Japanese labor unions are company-based organizations while American unions are trade- or profession-oriented. The membership of Japanese unions extends both blue- and white-collar workers including some middle managers (Sethi et al., 1984). Furthermore, most members of Japanese labor unions believe that management and unions must strive for the same goals, both the corporation’s profit and workers’ wealth. Japanese employees and their families are often given additional benefits by the corporation such as housing, low interest loans and medical services (Ruch, 1984). Therefore, the employees are expected not to demand concessions from the management. This Japanese sense of membership and group affiliation originated in the communal life of rice-growing villages which demanded close cooperation between its members. This sense was then fostered by Confucianism which emphasized mutual duty based on the relationship between senior’s leadership and subordinate’s loyalty. The leader is expected to look
after subordinate's best interest, whereas the subordinate is expected to be devoted to the leader (Sethi et al., 1984).

The Japanese group affiliation is also related to the lifetime employment system. Each year, new entry-level graduates are recruited at the same time. Japanese corporations invest money in the training of employees who enter the corporation right after graduation. The new members are expected to remain with the corporation until their retirement. Their job securities are virtually guaranteed. The turnover rate is low in Japan, which is less than one-fourth of the U.S. (Ruch, 1984). Thus, for the corporations, the annual new graduate recruitment is very important to obtain good human resources.

2.3 The U.S. and Japanese Systems

In sum, Japanese corporations have faced a more placid environment which is accounted for by their relationships with other groups, i.e., government, activist groups, financial community, and employees. In this relatively stable social environment, Japanese corporations have been operating and demonstrating CSR through more provisional compliance with laws, governmental guidance, and social expectations. As a result, Japanese corporations have not developed American-like issues management programs.
The differences between the U.S. and Japanese systems discussed in this chapter can be summarized as following:

1. In the U.S., public policy is formed through the conflict and debate among groups (i.e., business, government and public) which advocate their own interests and needs. On the contrary, Japanese public policy is formed based on the mutual understanding and consensus among groups which are expected to be neither totally unselfish nor advocate self-interest.

2. In the U.S., business, government and social groups hold countervailing social power. In Japan, governmental influence on business and public sectors are stronger and social groups are less influential.

3. In the U.S., corporations are essentially considered as stockholders' property in which profit maximization is the primary goal. In Japan, corporate stockholders are less influential. Rather, Japanese corporations are regarded as communities of people in which they pursue their occupational goals.
Chapter 3
LITERATURE REVIEW, FRAMEWORK OF CATEGORIES, AND HYPOTHESES

This Chapter provides a literature review about the definition and use of corporate advertising. The characteristics of issue advertising, which many corporate advertising researchers discuss, are described in depth. Then, in order to examine the corporate-social environment differences of the U.S. and Japan, a framework for categorizing corporate advertising is developed. Finally, research hypotheses derived from the previous discussion are stated.

3.1 Definition of Corporate Advertising

In the U.S., the use of corporate advertising emerged in the early part of this century. Generally, the first example of a large-scale corporate advertising campaign can be traced back to AT & T's advertisements in 1908 (Rau, 1983). However, most researchers agree that the contemporary use of corporate advertising began during the oil crisis of the early 1970s. At that time, public confidence toward big business dropped to a low of 20% to
30% from a high of 50% to 60% in the late 1960s (Lipset & Schneider, 1978).

As discussed in Chapter 2, American corporations have used public communication efforts including corporate advertising to restore public confidence. According to the annual survey conducted by the Leading National Advertisers (LNA), since 1970 the total expenditure of corporate advertising in the U.S. has been steadily increasing during the past two decades with the exception of 1982, a year of recession (Dardenne, 1977, 1981; Davis, 1986; "Steady growth," 1990). The LNA estimated that the total amount of money spent for corporate advertising by corporations and associations in 1989 was about $2680 million for a total of nine media ("Steady growth," 1990). In 1970, it was only about $220 million for six media (Dardenne, 1977). However, due to the lack of a clear-cut definition, precise spending estimates for corporate advertising are not possible. Distinguishing corporate advertising from other forms of advertising is not simple at all. Researchers like Sethi (1979), Stridsberg (1977) and Garbett (1988), who have observed corporate advertising since the early 1970s, have discussed the difficulty in defining corporate advertising. For example, Garbett (1988) pointed out that:

because advertising is as much a creative art as a science, the dividing lines are often blurred
between the different types of advertising. As a result, research in the field is less than exact (p. 186).

Rau (1983) also noted that "corporate advertising itself is a term that has not been unambiguously applied to a particular type of advertising" (p. 8). LNA has been using a more detailed definition as following:

- to truly be labelled "corporate," the ad must deal with the company’s policies, functions, facilities, objectives, ideas, and standards;
- build favorable opinions of the company’s management, skill, technology, or social contributions;
- enhance the investment qualities or financial structures of the company; or promote it as a good place to work (Davis & Winkleman, 1987, p. 34).

In sum, although there is a general consensus that the term "corporate advertising" covers all types of ads that do not focus on any specific products or services, it is difficult to establish clear-cut border lines between corporate and commercial advertising. The boundaries would change to some extent according to how researchers operationalize corporate advertising. For the purpose of the study, corporate advertising refers to any types of ads which are designed to create a favorable corporate-social environment rather than to promote sales directly.

3.2 Issue and Image Advertising

In addition to problems in defining corporate advertising, classification is very complicated. First of
all, a variety of terms (e.g., institutional advertising, public-service advertising, advocacy advertising, controversy advertising) have been employed by researchers to describe corporate advertising. Second, the levels of classification vary across studies. For example, Garbett (1988, 1989) had several horizontal categories, while Sethi (1979) and Waltzer (1988) first divided issue and image advertising then set subcategories for each type of advertising. On the other hand, Meadow (1981, 1983) developed a more complex typology which consists of ten categories and nine dimensions.

Many researchers distinguish issue or advocacy advertising from other types of corporate advertising (Garbett, 1988; Rau, 1983; Sethi, 1979; Stridsberg; 1977; Waltzer, 1988). As mentioned above, Sethi (1979) and Waltzer (1988) divided corporate advertising into institutional/image advertising and idea/issue or advocacy advertising. Image ads are aimed at creating favorable images in the minds of the general public without focusing on any specific social issues. Issue or advocacy ads, on the other hand, are designed to promote the corporation's position on current social issues and to influence public attitudes toward the issues. The basic concept of issue advertising seems similar among other researchers although there is inconsistency about details. Garbett (1988)
simply stated that issue advertising is used to present the corporation's views on a variety of social subjects. Heath (1988) provided further arguments as following:

issue ads can help companies contest propositions of fact, debate which values will produce the most responsible and effective business operations, and discuss the advisability of specific policies (pp. 99-100).

Rau (1983) used the term "corporate advertising on public issues" to refer to all advertising used to speak out on various issues of the day. According to Rau, issue ads include those aimed at educating the public on social issues even when the corporation's position on the issue is not manifested. Stridsberg (1977) employed the term "controversy advertising" which includes all ads presenting information or a point of view bearing on publicly recognized controversial issues. Although this definition looks similar to Rau's definition, Stridsberg eliminated the public educational types of ads, focusing only on ads that address controversial issues.

Meadow (1981, 1983) used the term "political advertising" to emphasize the "politicalness" of a corporate advertisement. According to Meadow, most corporate ads are substitutes for grassroots lobbying and have a political dimension. Although Meadow argued that corporate ads can be classified as either more or less
In spite of the different claims among researchers, the important point here is that issue advertising is regarded as a more direct means to influence public opinion and public policy than other types of corporate advertising. Sethi (1987) pointed out that issue advertising is an educational and political tool designed to play an active role in effecting change in national agendas and public policies. There is general agreement that the use of issue advertising increased in the early 1970s (Rau, 1983). However, researchers' claims about current use of issue advertising are inconsistent with each other. Some believe that the use of issue ads in the U.S. has been increasing in recent years, while others have the opposite opinion. According to Sethi (1987), for example, there has been a tremendous increase in the magnitude and growth of issue advertising in the 1980s. Heath (1988) also supported the view that corporations are currently willing to use issue ads. On the other hand, there is an opinion that issue advertising is far less prominent in the 1980s (Steinberg, 1987). Leslie, the corporate advertising manager at the Wall Street Journal noted that there has not been a lot of issue or advocacy advertising since Reagan was elected.
president. Leslie estimated that issue advertising represents 2% of the *Journal*'s annual advertising pre-Reagan, but in 1987, it represents less than 0.5% (Steinberg, 1987). Garbett (1988) held another opinion that the level of issue advertising has not changed and it has always been low--less than 5% of corporate advertising.

In addition to the above arguments based on the researchers' observations, there are a few empirical studies on this subject. Waltzer (1988) examined all corporate advertising on the op-ed pages of the *New York Times* during the period of January 1985 to June 1986. Waltzer found out that 29% of 351 total sample ads were issue/advocacy advertising. Because the op-ed pages of the *Times* are essentially open to provide corporations the opportunity to speak out (Waltzer, 1988), this percentage may be higher than the portion of issue ads in the entire newspaper.

Meadow (1983) examined the types of non-product advertising in the *New York Times* and the *Wall Street Journal*. Five weeks of each newspaper in 1975 and 1980 were randomly selected. According to this study, in 1975, 49.8% of 26 total sample ads in the *Times* and 28.0% of 25 ads in the *Journal* were politicized types of ads. In 1980, 25.6% of 39 ads in the *Times* and 36.9% of 57 ads in
the *Journal* were found to be politicized. As a result, the study indicated that a substantial amount of politicized ads were in both the *Times* and the *Journal*. However, it is difficult to generalize Meadow's findings because the sample size is quite small. In addition, Meadow's study does not explain the role of each corporate ad type in the public policy process because the typology does not distinguish issue ads from image ads (Cutler & Muehling, 1989). In Meadow's study, the ads placed by non-business groups were not included.

Other studies surveyed the users of corporate advertising. A mail survey of readers conducted by *Industrial Marketing* showed that 50% of the 238 respondents said they had used corporate advertising in 1981, and only 16% of the users said that the primary objective of corporate advertising was addressing specific issues ("IM's survey," 1982). In another survey of 200 firms from the *Fortune* 500 industrial firms list, Rau and Preble (1988) found out that 44% of the 53 respondents said that they had employed issue advertising before. One reason for these differences may be explained by the fact that corporate advertising tends to be used by large corporations (Garbett, 1988).

This divergence of arguments and findings, as mentioned above, may be partly caused by the difficulty of
establishing clear-cut definitions and guidelines among researchers and business people. Furthermore, because most arguments are based on the researchers' observations or case studies, there is a lack of systematic empirical inquiry on this subject. Thus, this study will provide useful descriptive knowledge of corporate advertising.

3.3 Framework for Categorizing Corporate Advertising

As discussed, corporate advertising has a number of objectives. In the current study, corporate ads are categorized according to their objectives. One ad may belong to more than two categories. Because corporate campaigns often have multiple objectives (Garbett, 1989), these listed objectives are not always mutually exclusive. The following lists, which are organized based on several articles on corporate advertising (Buchholz, 1985; Cutlip et al., 1985; Darling, 1975; Garbett, 1988; "IM’s Survey," 1982; Koukokuhi, 1990; Reisman, 1989; Sethi, 1979; Waltzer, 1988) and a pilot study for this thesis, consist of seven categories (objectives A-G) and nineteen sub-categories (message types 1-19).

The following lists summarize each objective and sub-categories which belong to each objective.

A Awareness--improving the level of awareness of the organization and its activities
1 Corporate identification--to bring the organization's name and logo, symbols, missions, name change, anniversaries

2 Corporate opening--to address the organization's plant/office opening, expansions

3 Corporate social/civic activities--to give notice about the organization's social activities such as exhibitions, trade shows, conferences

4 Technological innovations--to inform audiences about the latest technologies related to the organization

5 Short story presentation--to deliver short stories of general or business interest in the form of essays, historical episodes, or interviews

B Goodwill--enhancing or maintaining the organization's reputation and goodwill

6 Corporate philanthropy/altruism--to give notice about the organization's aid/contribution to education, health, welfare and the arts

7 Cultural/arts promotion--to inform about arts/essay contests or scholarship awards sponsored by the organization

8 Celebration/congratulation--to praise individuals', communities' or other institutions' awards or anniversaries

9 Corporate solutions/contributions to social/environmental problems--to communicate the organization's concern and record of achievement on social or environmental problems

10 Public education/advisory--to educate or advise audiences on general subjects or social causes by providing information

C Charity--broadening and maintaining donations/volunteers for the organization or its activities

11 Public support request--to ask audiences for donations/contributions/volunteer participation in the organization or its activities
D Financial--attracting or maintaining the organization's stockholders

12 Corporate financial--to improve perceptions of the organization among the investment community

13 Stockholders fight--to ask support in the case of a hostile takeover

E Employee Recruitment--attracting possible new employees

14 Employee recruitment--to recruit new graduates or other potential applicants for the organization by presenting it as a good workplace

F Position--advocating a specific position on issues of importance to the organization, its industry or business in general

15 Issues position articulation--to address the organization's viewpoint on public policy or a controversial social issue

16 Advocating ideology--to foster values of the free enterprise system or capitalism

17 Ally recruitment--to request specific supportive actions for the organization's position (i.e., sending a letter to a public official)

G Counter--countering misunderstanding or unfair news coverage of the organization by presenting the corporation's side of the story

18 Resolving misunderstanding--to correct public misunderstanding of the organization

19 Counter editorial--to act against inaccurate or unfair news stories about the organization

The first category (objective A) is "awareness" advertising. These types of ads are designed to improve the public's level of awareness of the corporation and its business activities, giving it a recognizable face such as
a logo, image photo, or spokesperson. Also, awareness ads may provide specific business information about the corporation such as name change, facility opening, or technological achievement.

The second category is "goodwill" advertising. These types of ads are designed to demonstrate the socially responsible activities or good citizenship of the organization. The ultimate purpose of both awareness and goodwill advertising is building the organization’s good image in the public mind. However, goodwill advertising is more directly related to CSR and issues management discussed in Chapter 2.

The third category (objective C) is "charity" advertising, which is also related to the organization’s goodwill activities. However, charity advertising is specifically aimed at obtaining public donations for or supportive participation in the organization’s activities rather than enhancing its image.

The fourth category (objective D) is "financial" advertising. These types of ads are particularly addressed to the investment community in order to improve the financial structure of the corporation. Financial advertising is also used by both sides during takeover battles.
The fifth category (objective E) is "employee recruitment" advertising, which is designed to appeal to college graduates or to people with certain skills by presenting the corporation as an attractive place to work.

The sixth category (objective F) is "position" advertising which is aimed at expressing the sponsor's position on controversial public issues. Although other categories, such as goodwill ads, may identify some public issues, these ads do not attempt to directly influence the public attitudes toward a specific public policy agenda. The position ads, on the other hand, are concerned with the propagation of the organization's ideas on social issues.

The seventh category (objective G) is "counter" advertising. It is close to the position ads, but counter advertising are used to combat a clearly identifiable opposing opinion or negative public perception. Thus, counter ads are designed to correct the claims of the sponsor's opponents or to dissolve public hostility.

As discussed in the previous section, issue advertising should contain: 1) information about a specific public issue(s) with which the organization is concerned, and 2) the organization's clear position toward the issue(s). As a result, position and counter ads can be considered as issue advertising. On the other hand,
awareness, goodwill, charity, financial, and recruitment ads belong to image advertising. Some ads, however, may belong both to issue advertising and image advertising.

3.4 Sponsor of Corporate Advertising

Sponsors of corporate advertising are not limited to business corporations. Other organizations—trade or professional associations, interest groups, governments and so on—also use these kinds of ads (Sethi, 1987; Waltzer, 1988). These sponsors can be divided into two groups: business organizations (i.e., business corporations and trade associations) and non-business organizations (i.e., labor unions, activist groups, other public or non-profit organizations, and governmental agencies).

In the U.S., the fields of non-profit organizations are expanding, and these organizations are beginning to compete for recognition or funds in recent years (Cutlip et al., 1985). On the other hand, voluntary or charitable activities in Japan are not as common as in the U.S. Only a small number of Japanese social organizations depend on individual contributors. Furthermore, as mentioned in Chapter 2, interest groups need public support in order to influence corporate or government policies, particularly in the U.S. As a result, they must improve their image, ask for
contributions or express opinions on issues through public communications.

3.5 Research Hypotheses

Based on the previous discussion, nine major hypotheses are developed.

**H1** Organizations in Japan use corporate advertising less frequently for goodwill and charity objectives (B and C) than organizations in the U.S.

**H1** is concerned with how the difference in attitude toward CSR between the U.S. and Japanese corporations will be reflected in the use of goodwill advertising. As discussed in Chapter 2, Japanese organizations do not have much concern about CSR and voluntary social activities beyond making profits. In addition, in Japan charitable activities are not as common as in the U.S. Thus, goodwill advertising is less likely to be used by Japanese organizations.

**H2** Organizations in Japan use corporate advertising less frequently for financial objectives (D) than organizations in the U.S.

**H2** is concerned with whether the difference in corporate financial relations between the U.S. and Japan will affect the use of corporate advertising. As noted in Chapter 2, Japanese corporations do not need to attract
independent investors. In addition, Japanese corporations have fewer possibilities for hostile takeovers. As a result, financial ads are less likely to be used by Japanese corporations.

H3 In Japan, the portion of employee recruitment ads (E) in total corporate advertising is higher than that in the U.S.

Japanese corporations are more enthusiastic about recruiting new graduates. It is very difficult for Japanese corporations to hire skilled professionals in their mid-career because of the low job mobility. In addition, the recent shortage of labor force in Japan may be forcing corporations to become more competitive in order to obtain qualified employees (Koukokuhi, 1990). Thus, Japanese corporations may use recruitment ads more frequently than their American counterparts.

H4 In Japan, the portion of the awareness objective ads (A) in total corporate advertising is higher than in the U.S.

H4 is concerned with how the Japanese collaborative social system is related to the use of corporate advertising. In Japan, mutual understanding and recognition has been very important (Dentsu, 1988). In addition, because of the consensus-oriented relations,
Japanese tend to avoid straightforward expression and prefer to convey the corporate image to create a favorable environment. Thus, Japanese organizations are more likely to use awareness advertising than U.S. organizations.

**H5** Organizations in Japan are less likely to use issue advertising (F and G) compared to organizations in the U.S.

**H5** is concerned with how the differences in the corporation's involvement in the public policy process in the U.S. and Japan will be reflected in the use of issue advertising. Japanese corporations, which have had a more placid political environment, do not proactively and openly need to influence public policy agendas. On the other hand, American organizations protest against expanding regulations and defend themselves from activist pressures. Thus, Japanese organizations will not employ as much issue advertising.

**H6** In Japan, the portion of corporate advertising used by non-business organizations is less than that of the U.S.

**H6** is concerned with whether the difference in the social power of the public interest groups or non-profit organizations in the U.S. and Japan will affect the composition of the sponsors of corporate ads. As
discussed in the previous section, it is important for many of the American non-business groups to communicate with public to obtain support. On the contrary, Japanese non-business organizations are less powerful and aggressive. Also there are fewer organizations seeking private donations in Japan. As a result, Japanese non-business organizations are less likely to use corporate advertising.

H7 Non-business organizations use issue ads more frequently than image ads, while business organizations use more image ads than issue ads.

H7 is concerned with the relationship between the type of sponsors (i.e., business or non-business) and the type of corporate advertising in the U.S. and Japan. Because most non-business organizations have more specific political objectives than business organizations, non-business organizations tend to employ issue ads that promote a specific viewpoint on issues. On the other hand, business organizations, which primarily pursue economic objectives, use more image ads that are less political.
H8 Corporate ads in business papers hold more business interest (i.e., message types 3, 4, 12, 13, 14, 16) than ads in general papers.

H9 Corporate ads in general readership papers hold more social cause interest (i.e., message types 6 to 11) than ads in business papers.

H8 and H9 are concerned with how the type of newspaper influences corporate advertising found in the paper. Both U.S. and Japanese business newspapers have similar corporate advertising objectives. The readers of business papers are usually the "business elite" who are concerned with corporate benefits and business activities. Thus, corporate ads in business papers will tend to focus on business or marketing objectives such as awareness of corporate activities or financial statements, or promotion of free enterprise. On the other hand, general papers have the "general elite" readers who are concerned with social benefits. Thus, corporate ads in general papers are more related to corporate goodwill such as philanthropy or solutions of social problems.

3.6 Other Research Questions

In addition to the hypotheses stated above, several other research questions examine the characteristics of corporate advertising in the U.S. and Japan. These research questions are concerned with the subjects of issue ads (Q1), the characteristics of
advertising sponsors (Q2 to 4), and the characteristics of advertisement expressions (Q5 to 7).

Q1 What kinds of subjects are addressed more frequently in issue advertising in the U.S. and Japan? Is there any difference between the ads of each country?

Q2 Are there any different patterns of the types of sponsors (e.g., business institutions, trade associations, and governmental agencies) between the U.S. and Japan?

Q3 What kinds of industries use corporate advertising more frequently in both countries? Does each newspaper show a particular tendency?

Q4 Are domestic organizations the dominant users of corporate advertising in the U.S. and Japan? Are there any sponsors from overseas?

Q5 What size of corporate advertising is observed more frequently? Is there any difference between the U.S. and Japan?

Q6 Is the use of spokespersons in corporate advertising popular in both countries? If spokespersons are employed, what kinds of people appear more frequently?

Q7 What is the difference in visual expressions (use of photographs and illustrations) between ads in U.S. and Japanese newspapers?
Chapter 4

METHODS

This chapter describes the procedures and research instrument for measuring concepts found in corporate advertising. In the final part of this chapter, the results of intercoder reliability test are stated.

4.1 Sample

This study analyzed newspaper ads because they are one of the most popular media for corporate advertising in both the U.S. and Japan. Four newspapers, two from the U.S. and two from Japan were selected. They are the New York Times (Times) and the Wall Street Journal (Journal) from the U.S. and the Asahi Shimbun (Asahi) and the Nihon Keizai Shimbun (Nikkei) from Japan. The Times and Asahi are comparable because they have a reputation as influential general interest newspapers in both countries. The Journal and Nikkei are also comparable because they are influential business papers in both countries (Dentsu, 1988; Japan Times, 1988).
The time period to be analyzed was one year (October, 1989 to September, 1990) in order to examine the latest trends in corporate advertising use. Corporate ads which were at least one quarter of a full page for American papers and at least four-fifteenths of a full page for Japanese papers were analyzed. These sizes are considered the minimum to convey significant messages. In order to simplify the sampling process, only ads appearing in the main section of both the Times and Journal were analyzed. Japanese papers have only one section but it contains a few local pages. The ads in the local pages were omitted because usually they are intended for local audiences. Saturday and Sunday editions were omitted because the Journal does not have Saturday and Sunday editions and the Sunday edition of the Times has different characteristics from weekday editions. Evening editions of Japanese newspapers were also omitted because American papers do not have evening editions.

To obtain approximately 120 ads per newspaper, the sample consisted of every other day for the Times, every fourth day for the Asahi, and every sixth day for the Journal and Nikkei. The total numbers of sample ads obtained from each paper for analysis are: Times: 129, Journal: 128, Asahi: 131, Nikkei: 141. The starting date was randomly determined for each newspaper.
4.2 Recording Instrument

The recording instrument includes: the newspaper, the ad's identification number, date of the ad, size of the ad, type of message, subject of the ad, type of sponsor, nationality of sponsor, industry of sponsor, use of spokesperson(s), use of image photo or illustrations. Several reference books were used to help categorize sponsors' type, industry, and nationality. These references include: Encyclopedia of associations, 1991; Kaisya shiki-ho, 1991; Moody's bank & financial manual, 1990; Moody's industrial manual, 1990; Moody's international manual, 1990; Standard corporation descriptions, 1990-1991. The recording instrument is attached in Appendix A.

4.3 Coding Process

Coding was done by the researcher, but 25% of ads from each newspaper were also coded by other two independent coders in order to estimate intercoder agreement. Both Japanese newspapers were coded by a Japanese graduate student and both American newspapers were coded by another Japanese graduate student. Coders were trained by the following procedure. First, coders were given written and oral instructions by the researcher. These instructions contained information about the details of corporate advertising, each category
categories. Then each coder practiced coding about 20 ads derived from the same newspapers but published before or after the sampling period. After reaching an initial intercoder agreement of more than .80, coders began coding sampled ads independently.

4.4 Reliability Testing

After the coding was completed, Krippendorff's alpha was used to assess the intercoder agreement of the recording instrument. An alpha of at least .60 was considered acceptable.

The agreement coefficient of each corporate ad type is listed in Table 4.1. According to the list, the agreement coefficients are sufficiently reliable (ranged from .65 to 1.00), except one (.49 of "corporate social/civic activity"). However, it should be noted that the "corporate social/civic activity" type was only observed four times.
Table 4.1 Agreement coefficients of corporate advertising type

<table>
<thead>
<tr>
<th>Agreement Coefficient (nominal scale)</th>
<th>Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Identification</td>
<td>.79</td>
</tr>
<tr>
<td>Opening</td>
<td>.88</td>
</tr>
<tr>
<td>Social/civic activity</td>
<td>.49</td>
</tr>
<tr>
<td>Technology</td>
<td>1.00</td>
</tr>
<tr>
<td>Short story</td>
<td>.77</td>
</tr>
<tr>
<td>Philanthropy</td>
<td>.86</td>
</tr>
<tr>
<td>Cultural/arts promotion</td>
<td>1.00</td>
</tr>
<tr>
<td>Celebration</td>
<td>--</td>
</tr>
<tr>
<td>Corporate solutions</td>
<td>.65</td>
</tr>
<tr>
<td>Public education</td>
<td>.81</td>
</tr>
<tr>
<td>Support request</td>
<td>.66</td>
</tr>
<tr>
<td>Financial</td>
<td>1.00</td>
</tr>
<tr>
<td>Stockholders fight</td>
<td>--</td>
</tr>
<tr>
<td>Employee recruitment</td>
<td>1.00</td>
</tr>
<tr>
<td>Issue position</td>
<td>.93</td>
</tr>
<tr>
<td>Ideology</td>
<td>--</td>
</tr>
<tr>
<td>Ally recruit</td>
<td>1.00</td>
</tr>
<tr>
<td>Resolve misunderstand</td>
<td>--</td>
</tr>
<tr>
<td>Counter editorial</td>
<td>--</td>
</tr>
</tbody>
</table>
Second, Table 4.2 summarizes the agreement coefficient of issue ad's subjects. The coefficients are generally acceptable (ranged from .65 to 1.00 for ordinal scale). The one exception, "free enterprise," was observed once by only one of the coders.

Table 4.2 Agreement coefficients of issue advertising subject

<table>
<thead>
<tr>
<th>Issue Subject</th>
<th>Agreement Coefficient (ordinal scale)</th>
<th>Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Abortion</td>
<td>--</td>
<td>0</td>
</tr>
<tr>
<td>Budget/Tax</td>
<td>.66</td>
<td>3</td>
</tr>
<tr>
<td>Defense/Peace</td>
<td>.86</td>
<td>7</td>
</tr>
<tr>
<td>Discrimination</td>
<td>--</td>
<td>0</td>
</tr>
<tr>
<td>Drug</td>
<td>--</td>
<td>0</td>
</tr>
<tr>
<td>Education/Youth</td>
<td>1.00</td>
<td>2</td>
</tr>
<tr>
<td>Energy</td>
<td>1.00</td>
<td>2</td>
</tr>
<tr>
<td>Environment</td>
<td>.99</td>
<td>6</td>
</tr>
<tr>
<td>Free Enterprise</td>
<td>.00</td>
<td>1</td>
</tr>
<tr>
<td>Freedom of Speech</td>
<td>--</td>
<td>0</td>
</tr>
<tr>
<td>Health</td>
<td>1.00</td>
<td>4</td>
</tr>
<tr>
<td>Legal/Justice</td>
<td>.66</td>
<td>6</td>
</tr>
<tr>
<td>Product safety</td>
<td>--</td>
<td>0</td>
</tr>
<tr>
<td>Trade/Foreign policy</td>
<td>.79</td>
<td>5</td>
</tr>
<tr>
<td>Other</td>
<td>1.00</td>
<td>10</td>
</tr>
<tr>
<td>Not issue ad</td>
<td>.94</td>
<td>222</td>
</tr>
</tbody>
</table>
Third, the agreement coefficients of sponsor variables are listed in Table 4.3. The overall coefficients are sufficiently high (ranged form .92 to .98).

Table 4.3 Agreement coefficients of sponsor variables

<table>
<thead>
<tr>
<th>Agreement Coefficient (nominal scale)</th>
<th>Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Type</td>
<td>.98</td>
</tr>
<tr>
<td>Nationality</td>
<td>.93</td>
</tr>
<tr>
<td>Industry</td>
<td>.92</td>
</tr>
</tbody>
</table>

Finally, the agreement coefficients of advertisement description variables are listed in Table 4.4. The overall coefficients are also sufficiently high (ranged from .78 to .95).
<table>
<thead>
<tr>
<th>Agreement coefficient (nominal scale)</th>
<th>Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Size</td>
<td>.90</td>
</tr>
<tr>
<td>Use of Spokesperson</td>
<td>.92</td>
</tr>
<tr>
<td>Spokesperson's Photo</td>
<td>.90</td>
</tr>
<tr>
<td>Product Photo/Illust</td>
<td>.78</td>
</tr>
<tr>
<td>Image Photo</td>
<td>.90</td>
</tr>
<tr>
<td>Image Illust</td>
<td>.92</td>
</tr>
<tr>
<td>No Photo/Illust</td>
<td>.95</td>
</tr>
</tbody>
</table>
Chapter 5
RESULTS

This chapter presents the results of the statistical analysis. First, the results from $x^2$ tests of hypotheses are presented. Then, data related to other research questions are summarized in the following sections.

5.1 Hypotheses Testing
5.1.1 Hypothesis 1

Hypothesis 1, that organizations in Japan use corporate advertising less frequently for goodwill objectives than organizations in the U.S., was not supported (Table 5.1). The proportion of goodwill ads in the U.S. and Japanese newspapers were almost equal; 22.8% of corporate ads in the U.S. newspapers had goodwill objectives while 22.6% Japanese corporate ads had goodwill objectives.
Table 5.1 Crosstabulation of Goodwill objectives in corporate advertising by United States vs. Japanese newspapers

<table>
<thead>
<tr>
<th></th>
<th>U.S. (n=257)</th>
<th>Japan (n=272)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-goodwill ads</td>
<td>77.4%</td>
<td>77.2%</td>
</tr>
<tr>
<td>Goodwill ads</td>
<td>22.6</td>
<td>22.8</td>
</tr>
<tr>
<td>Total</td>
<td>100.0%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

\[ x^2 = .00, df=1, \text{not significant} \]

However, as Table 5.2 shows, the types of messages used for goodwill objectives in U.S. and Japanese newspapers were different. Among the six message types categorized as goodwill ads, U.S. newspapers had more public support request ads (6.6%) than Japanese newspapers (0.7%). On the other hand, Japanese newspapers presented more cultural/arts promotion (7.0% in Japan vs. 0.8% in the U.S.) and public education/advisory (5.9% in Japan vs. 2.3% in the U.S.) messages.
Table 5.2 Summary of frequency and $x^2$ values on each message type of Goodwill objectives by United States vs. Japanese newspapers

<table>
<thead>
<tr>
<th></th>
<th>U.S. (n=257)</th>
<th>Japan (n=272)</th>
<th>$x^2$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Philanthropy</td>
<td>10.5%</td>
<td>8.8%</td>
<td>.42</td>
</tr>
<tr>
<td>Culture promotion</td>
<td>0.8%</td>
<td>7.0%</td>
<td>13.35**</td>
</tr>
<tr>
<td>Celebration</td>
<td>0.8%</td>
<td>--</td>
<td>2.12</td>
</tr>
<tr>
<td>Solutions</td>
<td>3.5%</td>
<td>2.2%</td>
<td>.80</td>
</tr>
<tr>
<td>Advisory</td>
<td>2.3%</td>
<td>5.9%</td>
<td>4.17*</td>
</tr>
<tr>
<td>Support request</td>
<td>6.6%</td>
<td>0.7%</td>
<td>13.19**</td>
</tr>
</tbody>
</table>

*p < .05  **p < .005

5.1.2 Hypothesis 2

Hypothesis 2, that organizations in Japan use corporate advertising less frequently for financial objectives than organizations in the U.S., was not supported (Table 5.3). There were not many financial ads in the newspapers from either country; only 2.3% of U.S. newspapers' ads and 1.5% of Japanese ads had financial objectives.

In addition, financial ads were observed mostly in the business papers of both countries. The New York Times (Times) had none and the Asahi Shimbun (Asahi) had just one financial ad. With regard to the message types, ads
about stockholders’ attitudes about hostile takeovers (fight ads) were not observed in either newspaper.

Table 5.3 Crosstabulation of Financial objectives in corporate advertising by United States vs. Japanese newspapers

<table>
<thead>
<tr>
<th></th>
<th>U.S. (n=257)</th>
<th>Japan (n=272)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-financial ads</td>
<td>97.7%</td>
<td>98.5%</td>
</tr>
<tr>
<td>Financial ads</td>
<td>2.3</td>
<td>1.5</td>
</tr>
<tr>
<td>Total</td>
<td>100.0%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

x² = .53, df=1, not significant

5.1.3 Hypothesis 3

Hypothesis 3, that the employee recruitment objective is more frequently used in Japanese corporate advertising than in U.S. advertising, was supported (Table 5.4). In Japan, 9.9% of sample ads addressed recruitment objectives. On the other hand, no recruit ads were observed in U.S. newspapers. Both of the Japanese newspapers published employee recruitment ads; 8.4% of the Asahi’s corporate ads and 11.3% of the Nihon keizai Shimbun (Nikkei)’s corporate ads had employee recruitment objectives.
Table 5.4 Crosstabulation of Employee Recruitment objectives in corporate advertising by United States vs. Japanese newspapers

<table>
<thead>
<tr>
<th></th>
<th>U.S. (n=257)</th>
<th>Japan (n=272)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-recruitment ads</td>
<td>100.0%</td>
<td>90.1%</td>
</tr>
<tr>
<td>Recruitment ads</td>
<td>0.0</td>
<td>9.9</td>
</tr>
<tr>
<td>Total</td>
<td>100.0%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

\[ x^2 = 26.88, \text{ df}=1, p < .001 \]

5.1.4 Hypothesis 4

Hypothesis 4, that the proportion of the awareness objectives in Japanese corporate advertising is higher than in U.S. corporate advertising, was supported (Table 5.5). In both countries, awareness ads were the most dominant in corporate advertising. However, ads in Japanese newspapers were much more likely to have awareness objectives (78.7%) compared to the ads in U.S. newspapers (58.4%).
Table 5.5 Crosstabulation of Awareness objectives in corporate advertising by United States vs. Japanese newspapers

<table>
<thead>
<tr>
<th></th>
<th>U.S. (n=257)</th>
<th>Japan (n=272)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-awareness ads</td>
<td>41.6%</td>
<td>21.3%</td>
</tr>
<tr>
<td>Awareness ads</td>
<td>58.4%</td>
<td>78.7%</td>
</tr>
<tr>
<td>Total</td>
<td>100.0%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

$x^2=25.40, \, df=1, \, p<.001$

Table 5.6 summarizes the difference of each message type of awareness ads between the U.S. and Japan. According to the table, corporate identification was the most prevalent advertising among five message types of awareness ads in both the U.S. (50.2%) and Japan (71.7%). Next to the identification ads, short story presentation ads were employed in both the U.S (7.4%) and Japan (10.3%) more frequently than others. In addition, Japanese organizations were more likely to use technological innovation (4.8%) than U.S. organizations (0.4%). Significant differences between the U.S. and Japan were found among corporate identification ($p<.001$) and technological innovations ($p<.005$).
Table 5.6 Summary of frequency and \( x^2 \) values on each Awareness message type in corporate advertising by United States vs. Japanese newspapers

<table>
<thead>
<tr>
<th>Awareness Type</th>
<th>U.S. (n=257)</th>
<th>Japan (n=272)</th>
<th>( x^2 )</th>
</tr>
</thead>
<tbody>
<tr>
<td>Identification</td>
<td>50.2%</td>
<td>71.7%</td>
<td>25.72***</td>
</tr>
<tr>
<td>Opening</td>
<td>0.8%</td>
<td>2.9%</td>
<td>3.33</td>
</tr>
<tr>
<td>Social activity</td>
<td>1.2%</td>
<td>1.8%</td>
<td>.39</td>
</tr>
<tr>
<td>Technology</td>
<td>0.4%</td>
<td>4.8%</td>
<td>9.88**</td>
</tr>
<tr>
<td>Short story</td>
<td>7.4%</td>
<td>10.3%</td>
<td>1.37</td>
</tr>
</tbody>
</table>

**\( p < .005 \)  ***\( p < .001 \)

However, as shown in Table 5.7, there was a significant difference across newspapers (\( p < .001 \)). First, it should be noted that ads in both business papers—the Wall Street Journal (Journal) and the Nikkei—had many more awareness messages: 84.4% in the Journal and 90.4% in the Nikkei. In contrast, only 32.6% ads in the Times and 65.6% ads in the Asahi had awareness objectives. The relatively low amount of awareness ads in the Times contributed most to the significant difference between U.S. and Japanese newspapers.
Table 5.7 Crosstabulation of Awareness advertising by the New York Times, the Wall Street Journal, the Asahi Shimbun, and the Nihon Keizai Shimbun

<table>
<thead>
<tr>
<th></th>
<th>NYT (n=129)</th>
<th>WSJ (n=128)</th>
<th>Asahi (n=131)</th>
<th>Nikkei (n=141)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-awareness ads</td>
<td>67.4%</td>
<td>15.6%</td>
<td>34.4%</td>
<td>9.2%</td>
</tr>
<tr>
<td>Awareness ads</td>
<td>32.6%</td>
<td>84.4%</td>
<td>65.6%</td>
<td>90.8%</td>
</tr>
<tr>
<td>Total</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

$x^2=125.76$, df=3, $p<.001$

5.1.5 Hypothesis 5

Hypothesis 5, that organizations in Japan are less likely to use issue advertising compared to organizations in the U.S., was supported (Table 5.8). Almost one-fourth (24.5%) of U.S. ads presented issue messages, while only 4.0% of the ads in Japanese newspapers had issue messages.

Table 5.8 Crosstabulation of Issue advertising in corporate advertising by United States vs. Japanese newspapers

<table>
<thead>
<tr>
<th></th>
<th>U.S. (n=257)</th>
<th>Japan (n=272)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-issue ads</td>
<td>75.5%</td>
<td>96.0%</td>
</tr>
<tr>
<td>Issue ads</td>
<td>24.5</td>
<td>4.0</td>
</tr>
<tr>
<td>Total</td>
<td>100.0%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

$x^2=46.01$, df=1, $p<.001$
Table 5.9 summarizes the analysis of the five message types categorized as issue ads. According to the analysis, significant differences between the U.S. and Japan were found among issue position articulation ($p < .001$) and ally recruitment ($p < .005$) message types. These messages contribute most to the difference between the U.S. and Japan. 20.2% of U.S. ads and 3.7% of Japanese ads had issue position messages, and 5.4% of U.S. ads and 0.7% of Japanese ads had ally recruitment messages. On the other hand, the other three issue message types were not very commonly observed in either country. Only one (0.4% of the total) advocating ideology ad and one resolving misunderstanding ad were observed in the U.S.

Table 5.9 Summary of frequency and $x^2$ values on each Issue message type in corporate advertising by United States vs. Japanese newspapers

<table>
<thead>
<tr>
<th></th>
<th>U.S. (n=257)</th>
<th>Japan (n=272)</th>
<th>$x^2$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Position</td>
<td>20.2%</td>
<td>3.7%</td>
<td>35.01***</td>
</tr>
<tr>
<td>Ally recruit</td>
<td>5.4%</td>
<td>0.7%</td>
<td>10.00**</td>
</tr>
<tr>
<td>Ideology</td>
<td>0.4%</td>
<td>--</td>
<td>1.06</td>
</tr>
<tr>
<td>Resolve</td>
<td>0.4%</td>
<td>--</td>
<td>1.06</td>
</tr>
<tr>
<td>Counter editorial</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
</tbody>
</table>

*p < .05  **p < .005  ***p < .001
However, it should be pointed out that there was a significant difference across newspapers ($p < .001$; Table 5.10). In particular, there was a large frequency difference was found between the Times and the other newspapers. The proportion of issue ads in the Journal were more consistent with those in Japanese newspapers than with the Times. The issue ads in the Journal were 7.0% of corporate ads, which was close to the Asahi's 5.3% and the Nikkei's 2.8%. On the other hand, 41.9% of corporate ads in the Times had issue messages. In other words, relatively large number of issue ads in the Times was primarily responsible for the significant difference between U.S. and Japanese newspapers.

Table 5.10 Crosstabulation of Issue advertising in corporate advertising by the New York Times, the Wall Street Journal, the Asahi Shimbun, and the Nihon Keizai Shimbun

<table>
<thead>
<tr>
<th></th>
<th>NYT (n=129)</th>
<th>WSJ (n=128)</th>
<th>Asahi (n=131)</th>
<th>Nikkei (n=141)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-issue ads</td>
<td>58.1%</td>
<td>93.0%</td>
<td>94.7%</td>
<td>97.2%</td>
</tr>
<tr>
<td>Issue ads</td>
<td>41.9%</td>
<td>7.0%</td>
<td>5.3%</td>
<td>2.8%</td>
</tr>
<tr>
<td>Total</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

$x^2 = 111.14$, df = 3, $p < .001$
5.1.6 Hypothesis 6

Hypothesis 6, that the portion of corporate advertising used by non-business organizations in Japan is less than that in the U.S., was supported (Table 5.11). As predicted, non-business organizations were not active advertisers (4.8%) in Japan, while 23.6% of all corporate ads in the U.S. were sponsored by non-business organizations.

Table 5.11 Crosstabulation of business sponsor in corporate advertising by United States vs. Japanese newspapers

<table>
<thead>
<tr>
<th></th>
<th>U.S. (n=248)</th>
<th>Japan (n=270)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-business sponsor</td>
<td>23.8%</td>
<td>4.8%</td>
</tr>
<tr>
<td>Business sponsor</td>
<td>76.2</td>
<td>95.2</td>
</tr>
<tr>
<td>Total</td>
<td>100.0%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

\[ x^2 = 38.89, \text{df}=1, p<.001 \]

However, as in the case of issue and awareness ads, there was a significant difference across individual newspapers (p<.001). According to Table 5.12, there is a very strong difference between the Times and other newspapers. The Times had 39.4% non-business sponsors' ads of the total, whereas the Journal had 7.4%, the Asahi had 5.4%, and the Nikkei had 4.3% non-business sponsor
ads. In other words, the Times was most commonly used as a place in which non-business organizations express their opinions.

Table 5.12  Crosstabulation of corporate advertising by business sponsor in the New York Times, the Wall Street Journal, the Asahi Shimbun, and the Nihon Keizai Shimbun

<table>
<thead>
<tr>
<th></th>
<th>NYT (n=127)</th>
<th>WSJ (n=121)</th>
<th>Asahi (n=129)</th>
<th>Nikkei (n=141)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-business sponsor</td>
<td>39.4%</td>
<td>7.4%</td>
<td>5.4%</td>
<td>4.3%</td>
</tr>
<tr>
<td>Business sponsor</td>
<td>60.6</td>
<td>92.6</td>
<td>94.6</td>
<td>95.7</td>
</tr>
<tr>
<td>Total</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

\[ x^2 = 91.76, \text{ df}=3, \ p< .001 \]

5.1.7  Hypothesis 7

Hypothesis 7, that non-business organizations use more issue ads than image ads while business organizations use more image ads than issue ads, was supported. As Table 5.13 indicates, non-business organizations were more likely to address issue messages (62.5%) while business organizations used less issue ads (6.5%).
Table 5.13 Crosstabulation of Issue advertising in corporate advertising by business and non-business sponsors

<table>
<thead>
<tr>
<th></th>
<th>Business (n=446)</th>
<th>Non-business (n=72)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-issue ads</td>
<td>93.5%</td>
<td>37.5%</td>
</tr>
<tr>
<td>Issue ads</td>
<td>6.5</td>
<td>62.5</td>
</tr>
<tr>
<td>Total</td>
<td>100.0%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

$x^2 = 158.75$, df=1, $p < .001$

Table 5.14 summarizes the proportions of issue ads in corporate advertising by business and non-business sponsors across newspapers. With regard to the business sponsors, the Times was more likely to have issue ads (23.4% of total corporate ads by business sponsors) than other papers. Although there was a great difference between the Times and the Journal, the Journal was more apt to have issue ads by business sponsors (7.1%) than Japanese papers. On the other hand, it was found that business sponsors in Japanese newspapers rarely used issue advertising; only 2.5% of the corporate ads in the Asahi and none in the Nikkei were issue ads by business sponsors.

In respect to the issue ads by non-business organizations, $x^2$ was not calculated for the Journal, Asahi, and Nikkei because the expected frequency for some
cells was less than 10. For the Times, non-business sponsors overwhelmingly used issue ads (72.0% of all corporate ads by non-business organizations). In fact, out of 54 total issue ads in the Times, 36 ads (66.7%) were sponsored by non-business organizations while 18 ads (33.3%) were placed by business organizations.

Table 5.14 Summary of frequency and \( \chi^2 \) values on Issue advertising by business sponsors and non-business sponsors in each newspaper

<table>
<thead>
<tr>
<th></th>
<th>Business</th>
<th>Non-business</th>
<th>( \chi^2 )</th>
</tr>
</thead>
<tbody>
<tr>
<td>NYT</td>
<td>23.4%</td>
<td>72.0%</td>
<td>29.33***</td>
</tr>
<tr>
<td>WSJ</td>
<td>7.1</td>
<td>11.0</td>
<td>#</td>
</tr>
<tr>
<td>Asahi</td>
<td>2.5</td>
<td>57.1</td>
<td>#</td>
</tr>
<tr>
<td>Nikkei</td>
<td>--</td>
<td>66.7%</td>
<td>#</td>
</tr>
</tbody>
</table>

*** \( p < .001 \)
#: \( \chi^2 \) was not calculated because the expected frequency of some cells falls below 10

5.1.8 Hypothesis 8

Hypothesis 8, that corporate ads in business papers hold more business interest messages, was not supported (Table 5.15). Newspapers' characteristics and business message use were not significantly related. Only 7.4% of all corporate ads in business papers had business messages while 4.6% of ads in general newspapers had
business messages. However these results do not include corporate identification messages which was the most prevalent type of corporate advertising used in business newspapers.

Table 5.15 Crosstabulation of business messages in corporate advertising by business vs. general newspapers

<table>
<thead>
<tr>
<th></th>
<th>Business (n=269)</th>
<th>General (n=260)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-business message</td>
<td>92.6%</td>
<td>95.4%</td>
</tr>
<tr>
<td>Business message</td>
<td>7.4</td>
<td>4.6</td>
</tr>
<tr>
<td>Total</td>
<td>100.0%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

\[ x^2 = 1.84, \text{df}=1, \text{not significant} \]

5.1.9 Hypothesis 9

Hypothesis 9, that the corporate ads in general newspapers hold more social cause interest, was supported (Table 5.16). A significant relationship (\( p < .001 \)) was found between general newspapers and social cause message use. In business papers, 11.2% of the total corporate ads had social messages. On the other hand, 34.6% of ads in general papers had social messages. General newspapers of both countries were consistent; 34.1% ads in the Times and 35.1% ads in Asahi had social cause messages. These findings support the conclusion that corporate ads in
general papers are more concerned with social cause issues in both the U.S. and Japan.

Table 5.16 Crosstabulation of social cause messages in corporate advertising by business vs. general newspapers

<table>
<thead>
<tr>
<th></th>
<th>Business (n=269)</th>
<th>General (n=260)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-social message</td>
<td>88.4%</td>
<td>65.4%</td>
</tr>
<tr>
<td>Social message</td>
<td>11.2</td>
<td>34.6</td>
</tr>
<tr>
<td>Total</td>
<td>100.0%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

$x^2=41.49$, df=1, $p<.001$

5.1.10 Summary of Hypotheses Findings

The following is a summary of the major findings of the hypothesis testing discussed above.

H1 No significant difference was found between U.S. and Japanese newspapers about the use of goodwill ads.

H2 No significant difference was found between U.S. and Japanese newspapers about the use of financial ads.

H3 Corporate advertising in Japanese newspapers had more employee recruitment objectives than corporate advertising in U.S. newspapers.

H4 Awareness advertising was observed more frequently in Japanese corporate advertising than in U.S.

H5 Issue advertising was observed more frequently in the U.S. corporate advertising than in Japanese.

H6 Corporate ads were more likely to be sponsored by non-business organizations in the U.S. than in Japan.
H7 Business organizations use more image ads than issue ads, while non-business organizations use more issue ads than image ads.

H8 No significant difference was found between business and general papers in terms of business message use.

H9 In both the U.S. and Japan, ads in general newspapers held more social cause interest than ads in business papers.

In addition to the findings stated above, the data also showed that corporate ads from the New York Times often had different characteristics from the other papers and contributed more to the U.S.-Japan difference in the findings of H4, H5, H6, and H7 than ads from the Wall Street Journal.

The following sections present the results of research questions. These research questions describe several interesting differences between U.S. and Japanese corporate advertising.

5.2 Subject of Issue Advertising

Table 5.17 lists the subjects of issue ads which appeared in U.S. and Japanese newspapers. Because the numbers of observations were relatively low (60 total observations in the U.S. and 10 in Japan), these results may not be generalizable to the entire trends of issue ad subjects in the U.S. and Japan.
Between the subjects in the U.S. and Japan, significant differences were found between defense (11 observations in the U.S. vs. 0 in Japan), education (5 in the U.S. vs. 0 in Japan), energy (12 in the U.S. and 2 in Japan), and health (7 in the U.S. and 0 in Japan). On the other hand, among the subjects which appeared in both countries, budget/tax, environment, and trade/foreign policy did not show a significant difference.
### Table 5.17 Summary of frequency and $x^2$ values on each subject of Issue advertising by United States vs. Japanese newspapers

<table>
<thead>
<tr>
<th></th>
<th>U.S. (n=257)</th>
<th>Japan (n=272)</th>
<th>$x^2$</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Maj%</td>
<td>Min%</td>
<td>Maj%</td>
</tr>
<tr>
<td>Abortion</td>
<td>1.2</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Budget/Tax</td>
<td>1.2</td>
<td>-</td>
<td>0.7</td>
</tr>
<tr>
<td>Defense/Peace</td>
<td>3.5</td>
<td>0.8</td>
<td>-</td>
</tr>
<tr>
<td>Drug</td>
<td>0.4</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Education/Youth</td>
<td>1.9</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Energy</td>
<td>4.7</td>
<td>-</td>
<td>0.7</td>
</tr>
<tr>
<td>Environment</td>
<td>2.7</td>
<td>0.4</td>
<td>0.7</td>
</tr>
<tr>
<td>Free Enterprise</td>
<td>-</td>
<td>0.4</td>
<td>-</td>
</tr>
<tr>
<td>Health</td>
<td>2.3</td>
<td>0.4</td>
<td>-</td>
</tr>
<tr>
<td>Legal/Justice</td>
<td>1.2</td>
<td>0.8</td>
<td>-</td>
</tr>
<tr>
<td>Trade/Foreign</td>
<td>0.8</td>
<td>0.8</td>
<td>0.7</td>
</tr>
</tbody>
</table>

*p < .05  **p < .005  
Note: Maj = Major focus, Min = Minor focus

### 5.3 Sponsor Characteristics

#### 5.3.1 Type of Sponsor

Table 5.18 lists types of organizations sponsoring corporate advertising in each newspaper. The Journal, Asahi, and Nikkei exhibited relatively similar patterns. For these newspapers, business organizations were the most
prevalent sponsor of corporate advertising (Journal: 85.9%, Asahi: 87.8%, Nikkei: 93.6%). On the other hand, a greater variety of sponsors was observed in the Times. Although business organizations were still the biggest sponsor in Times (56.9%), other non-profit organizations (15.4%) and activist groups (9.8%) were also active users of corporate advertising in the Times.

Table 5.18 Type of sponsor in the New York Times, the Wall Street Journal, the Asahi Shimbun, and the Nihon Keizai Shimbun

<table>
<thead>
<tr>
<th></th>
<th>NYT (n=123)</th>
<th>WSJ (n=128)</th>
<th>Asahi (n=131)</th>
<th>Nikkei (n=141)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business organization</td>
<td>56.9%</td>
<td>85.9%</td>
<td>87.8%</td>
<td>93.6%</td>
</tr>
<tr>
<td>Trade/professional association</td>
<td>8.1</td>
<td>6.3</td>
<td>6.9</td>
<td>1.4</td>
</tr>
<tr>
<td>Labor union</td>
<td>3.3</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Activist group</td>
<td>9.8</td>
<td>--</td>
<td>1.5</td>
<td>--</td>
</tr>
<tr>
<td>Governmental agency</td>
<td>3.3</td>
<td>4.7</td>
<td>3.1</td>
<td>4.3</td>
</tr>
<tr>
<td>Other non-profit</td>
<td>15.4</td>
<td>1.6</td>
<td>0.8</td>
<td>0.7</td>
</tr>
<tr>
<td>Media</td>
<td>--</td>
<td>1.6</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Individual</td>
<td>3.3</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Total</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

x²=127.40, df=21, p< .001
5.3.2 Industry of Sponsor

Table 5.19 summarizes the frequency with which various industries sponsored ads in each newspaper. Interestingly, the top advertisers of each newspaper show variety: non-business (36.2%) and petroleum (23.6%) for the Times, financial (24.8%) for the Journal, computer (21.7%) and other light manufactures (24.0%) for the Asahi, other heavy manufactures (25.5%) for the Nikkei. However, it was found among the Times, Journal, and Nikkei that corporate advertising was used most by sponsors which did not have consumer products.
Table 5.19  Industry of sponsor in the New York Times, the Wall Street Journal, the Asahi Shimbun, and the Nihon Keizai Shimbun

<table>
<thead>
<tr>
<th>Industry</th>
<th>NYT (n=127)</th>
<th>WSJ (n=121)</th>
<th>Asahi (n=129)</th>
<th>Nikkei (n=141)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Media</td>
<td>--</td>
<td>1.7%</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Transportation</td>
<td>3.1%</td>
<td>3.3%</td>
<td>2.3%</td>
<td>0.7%</td>
</tr>
<tr>
<td>Financial</td>
<td>0.6</td>
<td>24.8</td>
<td>9.9</td>
<td>13.5</td>
</tr>
<tr>
<td>Other service</td>
<td>12.6</td>
<td>18.2</td>
<td>19.0</td>
<td>14.9</td>
</tr>
<tr>
<td>Computer/electronics</td>
<td>0.8</td>
<td>11.6</td>
<td>21.7</td>
<td>18.4</td>
</tr>
<tr>
<td>Motor vehicle</td>
<td>2.4</td>
<td>3.3</td>
<td>5.4</td>
<td>4.3</td>
</tr>
<tr>
<td>Other light manufacture</td>
<td>3.9</td>
<td>7.4</td>
<td>24.0</td>
<td>18.4</td>
</tr>
<tr>
<td>Aerospace</td>
<td>--</td>
<td>4.1</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Petroleum</td>
<td>23.6</td>
<td>10.7</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Other heavy manufacture</td>
<td>0.8</td>
<td>4.1</td>
<td>11.6</td>
<td>25.5</td>
</tr>
<tr>
<td>Agriculture</td>
<td>--</td>
<td>--</td>
<td>1.6</td>
<td>--</td>
</tr>
<tr>
<td>Other business</td>
<td>0.8</td>
<td>2.5</td>
<td>0.8</td>
<td>--</td>
</tr>
<tr>
<td>Professional association</td>
<td>--</td>
<td>0.8</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Governmental agency</td>
<td>3.1</td>
<td>5.8</td>
<td>3.1</td>
<td>4.3</td>
</tr>
<tr>
<td>Other non-business</td>
<td>36.2</td>
<td>1.7</td>
<td>2.3</td>
<td>--</td>
</tr>
<tr>
<td>Total</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

$x^2 = 327.51, df=42, p<.001$
5.3.3 Nationality of Sponsor

Table 5.20 lists the nationality of corporate advertising sponsors. In both the U.S. and Japan, the domestic sponsors were the most dominant (U.S. ads by U.S. sponsors: 82.6%; Japanese ads by Japanese sponsors: 91.5%). However, American newspapers had more overseas’ sponsors than Japanese newspapers especially from European countries. It was also found that American sponsors in Japan were heavier users of corporate advertising (4.1%) compared to Japanese sponsors in the U.S. (2.9%).

Table 5.20 Nationality of corporate advertising sponsor in the United States and Japanese newspapers

<table>
<thead>
<tr>
<th></th>
<th>U.S. (n=247)</th>
<th>Japan (n=271)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td>2.9%</td>
<td>91.5%</td>
</tr>
<tr>
<td>U.S.</td>
<td>82.6</td>
<td>4.1</td>
</tr>
<tr>
<td>Europe</td>
<td>10.9</td>
<td>4.1</td>
</tr>
<tr>
<td>Other Asia</td>
<td>1.6</td>
<td>0.3</td>
</tr>
<tr>
<td>South America</td>
<td>0.8</td>
<td>--</td>
</tr>
<tr>
<td>Australia</td>
<td>0.4</td>
<td>--</td>
</tr>
<tr>
<td>Africa/Middle East</td>
<td>0.8</td>
<td>--</td>
</tr>
<tr>
<td>Total</td>
<td>100.0%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

$x^2=414.33$, df=6, $p< .001$
5.4 Advertisement Characteristics

5.4.1 Size of Advertisement

Among three size categories, U.S. sponsors used the smaller size (1/4 to half page) more frequently (49.8%) while Japanese tended to use bigger size (full and more page) ads (57.0%; Table 5.21). One reason for this difference is that many U.S. ads were observed on the op-ed page which provides only 1/4 page ad space.

Table 5.21 Size of corporate advertising in the United States and Japanese newspapers

<table>
<thead>
<tr>
<th></th>
<th>U.S. (n=247)</th>
<th>Japan (n=271)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full and more</td>
<td>32.3%</td>
<td>57.0%</td>
</tr>
<tr>
<td>Half to full</td>
<td>17.9</td>
<td>7.7</td>
</tr>
<tr>
<td>1/4 to half</td>
<td>49.8</td>
<td>35.5</td>
</tr>
<tr>
<td>Total</td>
<td>100.0%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

x²=35.28, df=2, p< .001

5.4.2 Use of Spokesperson

As Table 5.22 indicates, there are no significant differences in spokesperson use between the U.S. and Japan. More than 90% ads had no spokesperson in both the U.S. and Japan. It may be difficult to present a specific personality in a corporate ad. However, American
organizations were more likely to use a CEO or president as a spokesperson (7.5% in the U.S. vs. 2.9% in Japan), while Japanese organizations tended to use those who were not directly related to them (e.g., celebrity) more frequently (0.3% in the U.S. vs. 5.4% in Japan).

Table 5.22 Use of spokesperson in corporate advertising in the United States and Japanese newspapers

<table>
<thead>
<tr>
<th></th>
<th>U.S. (n=255)</th>
<th>Japan (n=272)</th>
</tr>
</thead>
<tbody>
<tr>
<td>No Spokesperson</td>
<td>91.0%</td>
<td>91.0%</td>
</tr>
<tr>
<td>CEO/President</td>
<td>7.5</td>
<td>2.9</td>
</tr>
<tr>
<td>Other member of organization</td>
<td>1.2</td>
<td>0.7</td>
</tr>
<tr>
<td>Scholar</td>
<td>--</td>
<td>0.4</td>
</tr>
<tr>
<td>Journalist</td>
<td>--</td>
<td>0.4</td>
</tr>
<tr>
<td>Politician</td>
<td>--</td>
<td>0.7</td>
</tr>
<tr>
<td>Celebrity</td>
<td>--</td>
<td>1.4</td>
</tr>
<tr>
<td>Other</td>
<td>0.3</td>
<td>0.7</td>
</tr>
<tr>
<td>Multiple</td>
<td>--</td>
<td>1.8</td>
</tr>
<tr>
<td>Total</td>
<td>100.0%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

\[ x^2 = 17.98, \text{ df}=8, p< .05 \]

5.4.3 Visual Expressions

Table 5.23 summarizes the use of photographs and illustrations in corporate advertising of the U.S. and
Japanese paper. Among the five categories set to examine the differences of visual characteristics, the following categories exhibit the differences: spokesperson’s photo (0.8% in the U.S vs. 8.1% in Japan), product photo (0.8% vs. 8.5%), image photo (39.7% vs. 61.0%), and no photo or illustration (38.1% vs. 8.1%). In each case, ads in Japan were more likely to depend on visual expressions such as photographs or illustrations.

Table 5.23 Summary of frequency and $x^2$ values on use of photographs and illustrations in corporate advertising by United States vs. Japanese newspapers

<table>
<thead>
<tr>
<th></th>
<th>U.S. (n=257)</th>
<th>Japan (n=272)</th>
<th>$x^2$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spokesperson photo</td>
<td>0.8%</td>
<td>8.1%</td>
<td>16.22**</td>
</tr>
<tr>
<td>Product photo/illust</td>
<td>0.8</td>
<td>8.5</td>
<td>17.30**</td>
</tr>
<tr>
<td>Image photo</td>
<td>39.7</td>
<td>61.0</td>
<td>24.07***</td>
</tr>
<tr>
<td>Image illust</td>
<td>20.6</td>
<td>22.8</td>
<td>.36</td>
</tr>
<tr>
<td>No photo/illust</td>
<td>38.1</td>
<td>8.1</td>
<td>68.00***</td>
</tr>
</tbody>
</table>

**$p < .005$  ***$p < .001$

5.5 Summary of Research Questions

The following statements summarize the research questions findings.

Q1  Issue ads in U.S. newspapers addressed a greater variety of subjects than issue ads in Japan.
Q2 For all sample papers, business organizations were the most prominent sponsors of corporate advertising. However, activist groups and other non-profit organizations also placed corporate ads frequently in the *Times*.

Q3 The industries of top corporate advertisers showed difference across newspapers. It was found that corporations which do not have direct consumer products were more likely to employ corporate advertising.

Q4 In both U.S. and Japanese papers, domestic sponsors were the most prevalent advertisers. However, ad sponsors in U.S papers had a greater variety of nationalities.

Q5 Corporate ads in Japanese newspapers tended to be bigger than corporate ads in U.S. papers.

Q6 In both U.S. and Japanese papers, spokespersons were not employed frequently. However, U.S. corporate ads were more likely to use CEO or president while Japanese ads tended to use those who were not directly related to the organizations.

Q7 Corporate ads in Japanese papers were more likely to depend on visual expressions (i.e., photographs and illustrations) than ads in U.S. papers.
Chapter 6

DISCUSSION

Six hypotheses examined differences in corporate advertising between the U.S. and Japan. Differences found are to some degree related to differences in the corporate-social relationship in these two countries. Two of the hypotheses did not show significant differences while the other four hypotheses were supported. In addition, three other hypotheses indicated that differences of corporate ad messages exist between business and non-business sponsors, and general and business newspapers. Other research questions also pointed out several differences in characteristics between U.S. and Japanese corporate ads. This chapter discusses the implications of these results.

6.1 Review of the Results

6.1.1 Hypothesis Findings

First, H1 and H2, in which no significant relations were found, are discussed. In H1, it was hypothesized that U.S. corporations would use more ads
with goodwill objectives because substantial literature has shown that it is more important for U.S. corporations to demonstrate corporate social responsibility (CSR) to the public than for Japanese corporations. In the U.S., corporations have been taking social responsibilities in order to reduce governmental intervention and regulation affecting business. Furthermore, as American activist groups are powerful and demanding, corporations in the U.S. often need to express their positions on social issues or to promote good corporate citizenship in order to modify the hostility of these groups. For U.S. corporations, failure to deal with public expectations appropriately may result in negative or harmful effects on business performance or invite government regulation (Weidenbaum, 1990). Thus, it was expected that U.S. corporations would use goodwill messages in corporate advertising to address their usefulness to society. In Japan, on the other hand, where social groups and the general public are less influential and low in number, corporations were not expected to take CSR as much as in U.S. society. In addition, charitable or philanthropic corporate activities which are rooted in Judeo-Christian traditions, are less prevalent in Japan than in the U.S.

There are at least two possible explanations why these assumptions were not supported by the data in this
First, Japanese corporations may be becoming more conscious of the need to demonstrate CSR. As Wokutch (1990) stated, the fulfillment of basic economic needs in Japan has brought about greater demands for CSR from the Japanese people. These demands may not be presented in Japanese society as openly as in the U.S.; however, the number of goodwill ads suggests that Japanese corporations have begun to perceive an increase in social expectations and have begun to respond.

Second, corporations may use goodwill ads as a marketing tool as well as a means to demonstrate a positive attitude toward CSR. Some corporations may use goodwill ads as sophisticated alternatives to commercial ads, primarily designed to stimulate markets. For example, some of cultural/arts promotion messages, which were found more frequently among Japanese newspapers, clearly targeted potential customers (e.g., a video movie contest by a home video equipment maker). Future research could examine this question further. It would be useful to compare current results with corporate ads from 1970 to 1980 in order to see whether Japanese goodwill ads have increased significantly over the years. If so, this might be an indication that Japanese corporations have begun to recognize CSR.
H2 stated that because U.S. corporations must attract and maintain individual investors, the corporations employ corporate financial ads more frequently to build good relations with financial community. H2 was based on the assumptions that corporate funding in the U.S. is more dependent on private investors than in Japan, and that profit maximization for stockholders is the primary objective for many U.S. corporations. However, the data indicated that corporations placed a relatively small number of financial ads in U.S. newspapers. Two interpretations could explain why financial ads were not found in U.S. newspapers as predicted.

First, the sample from U.S newspapers omitted sections which seemed to have more financial ads: the "Business" section of the New York Times and the "Money & Investing" section of the Wall Street Journal. Thus, this sample bias may have influenced the low number of American financial ads to a certain degree.

Second, because the financial community is a relatively narrow and specific audience (Garbett, 1988), the sponsors of financial ads tend to use more specific communication channels such as financial publications or newsletters. Compared with the financial media, even business papers have broader audiences who are not
necessarily interested in financial markets. Thus, financial advertisers may use more specific media than the relatively expensive newspaper ads. Future research could explore the relative importance of the various channels that corporations use to communicate this type of financial information.

The findings of this study supported H3, which stated that Japanese organizations use more employee recruitment ads that are mainly aimed at new graduates. The basic assumption of H3 was that recruiting these new graduates is crucial for many Japanese corporations to obtain qualified employees because of the Japanese lifetime employment system and the shortage of the labor force. It is surprising that almost 10% of the corporate ads in Japanese papers addressed recruitment messages. On the other hand, the data indicated that there were no employee recruitment corporate ads in U.S. papers.

In Japan most new graduates who will become the future labor force are recruited at the same time of the year even when there are no specific positions available at the moment. The majority of Japanese employees are expected to remain with their corporations during most of their career. In the U.S. employees are usually hired for specific and immediate jobs after having working experience in other companies (Ruch, 1984). Because the
Japanese lifetime employment system leads to lower job mobility, Japanese organizations must acquire young labors as they graduate. In addition, Japanese corporations are facing a shortage of labor which causes highly competitive conditions for employers. As a result, for Japanese corporations, corporate advertising is effective for promoting good corporate image among prospective young graduates. On the other hand, employee recruitment corporate ads are not productive in the U.S. where job mobility is high and employee recruitment depends on immediate needs.

The results of H4 and H5 are relatively complicated and need closer examination. The overall results of the hypothesis tests showed that significant differences exist in the use of awareness and issue ads between the U.S and Japan. However, the data also indicated that the differences depend heavily on the characteristics of the corporate advertising in the New York Times. The Times had less awareness ads and more issue ads compared to the other three papers. The ads in the Wall Street Journal, on the other hand, showed patterns similar to the Japanese papers. Therefore, it is important to take into account the differences between the two U.S. newspapers as well as between U.S. and Japanese newspapers.
Hypotheses 4 and 5 were based on the following assumptions:

1. Japanese corporations tend to avoid presenting their opinions openly to the public and prefer to convey their image.

2. U.S. corporations, on the other hand, are more likely to express their point of view on controversial issues directly to influence public.

The results of this study supported these assumptions. The data analysis indicated that Japanese organizations use only a small number of issue ads. Instead, Japanese organizations placed large numbers of image ads, particularly awareness ads in newspapers. In Japan important public policy is formulated under governmental leadership through consensus-based processes among groups that are concerned with the issue. Government and business cooperate to achieve economic and social goals based on broad public comprehensiveness of their viewpoints (Preston & Post, 1975). Within this Japanese system, promoting specific interests by individual corporations to the public is neither expected nor effective. Instead, organizations are more likely to engage in face-to-face and ongoing interaction with key officials on the issue. Toward the general public, corporations present their favorable image to obtain both marketing success and respect in the society (Dentsu, 1988). In addition, because Japanese social groups are
not as powerful as their American counterparts, Japanese corporations need not defend themselves from attack by these groups.

On the other hand, U.S. corporations have been facing threats from activist groups which openly criticize the corporations or press them by actions such as boycotts to change the corporation's attitude on a specific issue. Furthermore, U.S. corporations, that consider themselves as the countervailing power to the government, have attempted to reduce governmental intervention as much as possible. In order to deal with this challenging environment, U.S. corporations have developed issues management programs which include a set of systematic strategies to respond to key public issues affecting the corporation. Within the process of issues management, external communication is important to inform the public about the corporation's attitude on the issue. Addressing the organization's position on a social issue through advertising is an effective way to reach a broad audience with a strong impact.

However, the data did suggest that issue ads by business organizations are not the dominant type of corporate advertising in the U.S papers, especially in the Wall Street Journal. It is conceivable that an issue ad might generate some negative impact such as stimulating
criticism from opponents (Cutler & Muehling, 1989). Some business organizations may be reluctant to get involved in the debate on controversial issues. In addition, the difficulty of measuring the effects of issue ads may prevent corporations from spending advertising funds on an issue ad campaign (Fox, 1986; Steinberg, 1987).

In H6, as well as in H4 and H5, corporate ads in the Times showed unique characteristics. H6 was concerned with the difference of social groups' influence on public policy between the U.S. and Japan. H6 was based on the following assumptions:

1. There are not many non-profit interest groups in Japan. Furthermore, these groups are not a very influential social power in Japanese society.

2. In American society, activist groups and other social groups are powerful and promote their own interests aggressively.

The data supported these assumptions: most of the Japanese corporate advertising in this study was sponsored by business organizations while there were substantial numbers of non-business sponsors in U.S. corporate ads. Japanese non-business organizations were found to be less active in influencing the social environment compared to American non-business organizations. The data also pointed out that non-business organizations employed corporate advertising vigorously in the New York Times.

The unique characteristic of corporate ads in the
Times in H4, H5, and H6 may be related to its readers. As an elite general newspaper in the U.S., the Times is thought to have readers who influence public opinion. In order to affect public policy, it is important to reach audience members who are involved in the public policy agenda, such as governmental officials, journalists, and social leaders. These key players are expected to read the Times including the corporate ads placed in it.

Findings of H7 also supported the above discussion that U.S. non-business organizations aggressively promote their specific interest through advertising especially in the Times. It was found that 72% of the corporate ads in the Times by non-business sponsors had issue messages. Because many non-business organizations have been established to pursue social and political purposes which require public support, the organizations need to clearly express their interests or viewpoints. Issue advertising is also useful for these non-business organizations to win public support and recognition in the competitive environment.

On the other hand, only small numbers of non-business organizations placed corporate advertising in the Journal or Japanese papers. Because people with business interests read the Journal, non-business organizations may
consider that placing issue ad in the Journal is not effective to influence public policy.

H8 and H9 were concerned with differences in corporate ads according to the newspaper’s characteristics. In H8, the data showed that there was no significant difference between business and general papers in terms of the use of business interest messages. However, the narrow definition of a business message could explain this result. In this study, business messages refer to the subjects which are exclusively held by business institutions, such as financial or free enterprise. However, it was found that corporate identification ads are more prevalent in business papers than in general papers.

On the other hand, the data analysis showed that a clear difference of social cause message use exists between business and general papers in both the U.S. and Japan. The results supported the assumption that the readers of general interest papers tend to be more concerned with social issues than readers of business papers; therefore, corporate advertising in general papers more commonly addresses social cause messages.

In conclusion, the results showed that the contrast between the conflict-based social model in the U.S. and consensus-based social model in Japan was, for
the most part, reflected in differences in corporate advertising. However, in terms of corporate-social relationship, some common characteristics were also found between corporate advertisements in U.S. and Japanese newspapers.

6.1.2 Results of Research Questions

Findings of research questions also describe interesting characteristics of the U.S. and Japanese corporate advertising. First, in RQ1, a greater variety of issue ad subjects were found in U.S. papers. One reason which leads to this difference is that the total number of issue ads is larger in U.S. papers. However, the result also suggests that more diverse groups advocating different interests are participating in public debate in the U.S. The issue ad's subject, therefore, must be the concern of both the sponsor and public. For example, the energy subject was addressed most frequently in U.S. papers. This might be related to the fact that the petroleum industry was one of the heaviest users of corporate advertising in the U.S. In fact the Mobil Corporation placed 50% (13 out of 26) of the issue ads by business sponsors in U.S. papers. The energy issue in the U.S. should also be a public concern otherwise issue advertising would not attract the public's attention to the ad. From this viewpoint, the subjects which did not
show significant difference (i.e., environment, budget/tax, and trade/foreign policy) might be considered as common public issues of concern in both the U.S. and Japan.

RQ2 to RQ4 are concerned with the characteristics of corporate ad sponsors. In RQ2, which examined the type of sponsors, the *Times* exhibited an outlying pattern similar to findings from H4 through H7. It was also found that governmental agencies occasionally sponsor corporate advertising in both the U.S. and Japan. In Japan, 6 out of 9 governmental corporate ads were sponsored by the Japanese government. These ads ask the Japanese public to understand governmental policy on issues such as tax, nuclear energy, airport security, and so on. On the other hand, all five ads by governmental agencies in the *Journal* were designed to invite investment whereas 3 out of 4 ads in the *Times* were issue ads placed by foreign governments. The results suggest that the Japanese government is more likely to use issue ads to obtain broad public support for their policy than the U.S. government.

In RQ3, some differences of sponsor's industry were found across newspapers. Interestingly, the data indicate that most corporate advertising is placed by corporations that do not sell their products directly to the public (e.g., financial, petroleum, and heavy
manufacture) except computer/electronics corporations in Japan. This exception may be related to the Japanese market situation where countervailing computer manufacturers compete against each other. Because the product difference is relatively small in terms of the quality and cost, these computer manufacturers depend on corporate advertising to differentiate themselves from competitors. However, in most cases, producers of consumer goods can shape corporate image through the product itself or commercial ads, while corporations without consumer products rely on corporate advertising to establish their identity with the public (Waltzer, 1988).

In RQ4 concerning the sponsor’s nationality, it was found that domestic sponsors were dominant in both the U.S. and Japan. However, U.S. corporate ad sponsors show a greater variety of nationalities. This result indicates that because the U.S. is a more influential political power in the world whose public policy may affect other countries as well, some foreign organizations may attempt to influence public opinion and public policy in the U.S.

RQ5 to RQ7 examined the advertisement’s description. A significant difference was found in terms of visual expressions (i.e., ad size and visual materials). The data indicate that Japanese corporations tend to use bigger ads with more visual materials. This
result may be related to the point that Japanese prefer expressions of corporate image to direct expressions of opinions. For example, a Japanese guidebook recommends to foreign advertisers in Japan that "the Japanese prefer an emotional approach--more entertaining than informative--with the aim of leaving the audience with a positive feeling" (Dentsu, 1988, p. 64).

6.2 Limitations of the Study

There are limitations to be noted in this study which influence the interpretations of the results. First, the four newspapers sampled here do not represent the entire trend of corporate advertising in both countries. There are other print (e.g., other newspapers or magazines) and broadcast media (e.g., television or radio) which may convey corporate advertising. In addition, the audiences for the papers sampled in this study are not representative of the entire public in the U.S. and Japan. However, the newspapers and their audience selected in this study would be expected to be prime media for and targets of corporate advertising; they might also be the most reflective of the nature of corporate-social relations in terms of the public policy process. These expectations are based on the fact that many issue ads are placed in print media which are most appropriate to convey complicated messages (Rau & Preble,
1988). The readers of these papers include the most influential people in both business communities and public policy agenda in the U.S. and Japan.

6.3 Conclusion

The purpose of this study was to explore how the differences in the social systems of the two leading economic powers—the U.S. and Japan—were reflected in the content of corporate advertising. Based on the logic of social theories which posit a relationship between the structure of economic relations and the nature of cultural products produced, it was assumed that the content of corporate advertising should correspond to the different structural patterns of the two countries. This study focused on the corporate-environment relationship, particularly in terms of public policy formulation, corporate social responsibility, issues management, and corporate image. As corporate advertising attempts to create a desirable corporate-environment relationship, the advertising should present socially favorable images of themselves or acceptable viewpoints. As a result, the content of corporate ads is considered to be consistent with the social systems in which it is produced.

In order to clarify the different characteristics of corporate ads, this study developed a framework of analysis according to the ads' objectives. Particularly,
the distinction between issue and image ads was emphasized. Image ads refer to ads which are aimed at creating favorable images among the general public without focusing on any specific social issues. Issue ads, on the other hand, are a more direct and aggressive means to influence public opinion and public policy by articulating the sponsors' positions on controversial issues.

It was hypothesized that issue ads would be actively employed in the U.S., where business, governments, and social groups have countervailing power. Public policy is formulated through conflict among these segments. On the other hand, it was assumed that only a few issue ads would be used in Japan, where social groups are not powerful and public policy is formulated through the governmental leadership and consensus among different groups.

The results only partially supported these assumptions. The analysis indicated that organizations in the U.S. placed more issue ads than the organizations in Japan. Furthermore, a substantial number of non-business organizations in the U.S. sponsored corporate ads in the sample newspapers whereas only a few non-business organizations placed corporate ads in Japanese papers. However, unexpected similar patterns of corporate advertising across the Wall Street Journal and Japanese
papers also emerged in this study. The findings suggest that similarities of corporate-environment relationship may exist between U.S and Japanese social systems as well as the differences discussed in this study. These differences are reflected to a much greater degree in the *New York Times*.

The results have some important implications. First at theoretical level, this study suggests that patterns of corporate advertising correspond to differences in social relations of production. Second, the study indicated that corporate advertising content in the U.S. and Japan reflects the particular relations between corporations, their employees, governments, social groups, and the general public. The contrasting degree of involvement in the public policy process by social interest groups between the U.S. and Japan appears in the patterns of corporate ads. Third, the similar patterns found in goodwill ads use suggests that corporations in both the U.S. and Japan attempt to demonstrate corporate social responsibility to respond to the changing public expectations.
REFERENCES


Kaisya shiki-ho [Corporate descriptions]. Tokyo, Japan: Toyo keizai shimpo.


APPENDIX A

Recording Instrument

# Column

#1 Newspaper

1 New York Times
2 Wall Street Journal
3 Asahi Shimbun
4 Nihon Keizai Shimbun

#2-4 Identification Number (001-999)

#5-10 Date: Year (5,6), Month(7,8), Day(9,10)

#11 Size of Ads

1 Full page and more
2 Half and less than full page
3 1/4 and less than half

#12-31 Type of Messages

0=No
1=Yes

A. Awareness

#12 Corporate identification
#13 Corporate opening
#14 Corporate social/civic activities
#15 Technological innovations
#16 Short story presentation
B. Goodwill

#17 Corporate philanthropy/altruism
#18 Cultural/arts promotion
#19 Celebration/congratulatory
#20 Corporate solutions/contributions
#21 Public education/advisory

C. Charity

#22 Public support request

D. Financial

#23 Corporate financial
#24 Stockholders fight

E. Recruit

#25 Employee recruitment

F. Position

#26 Issues position articulation
#27 Advocating ideology
#28 Ally recruitment

G. Counter

#29 Resolving misunderstanding
#30 Counter editorial

#31 Non of above

#32-47 Subjects of Issue Ads

0=No Focus
1=Minor Focus
2=Major Focus

#32 Abortion
#33 Budget/Tax
#34 Defense/Peace
#35 Discrimination
#36 Drug
#37 Education/Youth
#38 Energy
#39 Environment
#40 Free Enterprise
#41 Freedom of Speech
#42 Health
#43 Legale/Justice
#44 Product Safety
#45 Trade/Foreign Policy
#46 Other
#47 Not an Issue Ad

#48-49 Sponsor
01 Business organizations
02 Trade and Professional Associations
03 Labor Unions
04 Activist Groups
05 Governmental Agencies
06 Other Non-profit organizations
07 Media organizations
08 Individuals
09 Anonymous
99 Don't Know

#50 Nationality of Corporation
1 Japan
2 United States
3 Europe
4 Other Asia
5 Other North America
6 South America
7 Australia
8 Africa and Middle East
9 Don't Know

#51-52 Industry of Sponsor
01 Non-Business
02 Media
03 Transportation
04 Financial
05 Other Service
06 Computer/Electronics
07 Motor Vehicle
08 Other Light Manufacturing
09 Aerospace
10 Petroleum
11 Other Heavy Manufacturing
12 Agriculture
13 Professional Association
14 Governmental Agencies
15 Other Business
99 Cannot Code

#53-54 Use of Spokesperson(s)

01 No Spokesperson
02 CEO or President
03 Other Member of the organization
04 Scholar
05 Journalist
06 Politician
07 Celebrity
08 Other
09 Multiple
99 Cannot Code

#55-60 Use of Photos or Illustrations

0=No
1=Yes

#55 Spokesperson(s) Photo
#56 Products' Photos/Illustrations
#57 Image photos
#58 Image Illustrations
#59 No Photo/Illustration
#60 Cannot Code
APPENDIX B

Sample of Corporate Advertising

Awareness advertising in the U.S. (p. 111)
Awareness advertising in Japan (p. 112)
Issue advertising in the U.S. (p. 113)
Issue advertising in Japan (p. 114)
What if selling a business brings you $30 million?

Selling a business is a big step. It can provide rich rewards. It can also raise serious questions. Who can help you determine what your business is really worth? Can you trust your advisor to tell you if you are selling in the right direction? If you decide to sell, how should you allocate your proceeds? Is this the time to rethink your family's financial plan? What will you do next, and what will you need to help you?

The point is clear: Selling a business is not a simple matter. And your advisors should be as sure-footed and as skilled as possible to help you sort through all the complications to gain the maximum benefits.

The private bankers at Morgan understand all this, because we've been helping individuals and families build and sell successful privately-owned enterprises for more than a century. And a good way to prepare for either is to establish a private banking relationship at Morgan. You'll have the best advice and technical skills available to you—before, during, and after any transaction.

As a private banking client, you and your business will have access to all of the resources of Morgan's global organization—our analysts, traders, financial strategists, investment professionals, technology, and underlying capital strength that serve the world's largest corporations.

For more information, call Gerald J. Romano, Vice President, Morgan Guaranty Trust Company, (212) 257-4392.

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Private Banking
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世界初のニュースです。光ユーロコンピュータの赤ちゃんがアルファベットをおげました。
We now import more than 40 percent of all the oil we use. And that percentage is growing. Our excessive dependence on foreign oil could blow up in our faces at any moment if our supply were somehow disrupted.

But the more we use nuclear energy, instead of imported oil, to generate our electricity, the less we have to depend on uncertain foreign oil supplies.

America's 112 nuclear electric plants already have cut foreign oil dependence by 4 billion barrels since the oil embargo of 1973, saving us $115 billion in foreign oil payments.

But 112 nuclear plants will not be enough to meet our rapidly growing demand for electricity. We need more plants.

Importing so much oil is a danger we must not ignore. We need to rely more on energy sources we can count on, like nuclear energy.

For a free booklet on nuclear energy, write to the U.S. Council for Energy Awareness, P.O. Box 66580, Dept. BB31, Washington, D.C. 20035.

Nuclear energy means more energy independence.
私たちのはコメの市場開放に反対します。

いまや世界一の食料輸入国となっている日本。コメを100%自給しても、
穀物自給率はわずか30%です。

コメの市場開放によって、これ以上増産率を下げてよいのでしょうか。

意見広告

[図表: 多くの顔写真の並び]