

ABSTRACT

Sponsorships has been a mainstay in marketing due to its capabilities in integrating with the noncommercial media content that it's attached to. State regulators and companies around the globe have deemed this practice unfair for the typical consumer and have required sponsorship deals, more specifically sponsored content, to be disclosed which affected negatively on brand attitude. UGC have been reported to share the same effects on viewers which is being able to not be perceived as an advertisement and yet still brings in new consumers. There is little research that directly compares the two marketing strategies, this research aims to directly compare the recognition of advertising in each type and therefore; its effects on brand attitude.

An experimental study was done where two groups are presented with the two types of content respectively in the context of the fast-food industry. The finding indicates that, through the proposed serial mediation, sponsorships does lead to a more recognition of advertising when compared to the UGC, but it was only the lower-level trustworthiness aspect that led to the more negative brand attitude. The result suggests that recognition of advertising does not necessarily lead to a more negative brand attitude. The implications of this research are that marketing managers might not have to be wary of the required sponsorships disclosure present in most media platforms and instead put more effort into making sure that the content being presented can be as trusted as possible