

# Consumer Agency: A Framework, Some Findings, and a Research Agenda

Gita V. Johar  
Columbia University

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# Consumer Agency: Background

- The power of a consumer to
  - influence another
  - act on behalf of another
- More broadly
  - consumers often rely on others (individuals, systems, organizations) to provide information and guidance during the decision making process
- Research questions
  - from the recipient's perspective
  - from the agent's perspective



# Recipient's perspective I

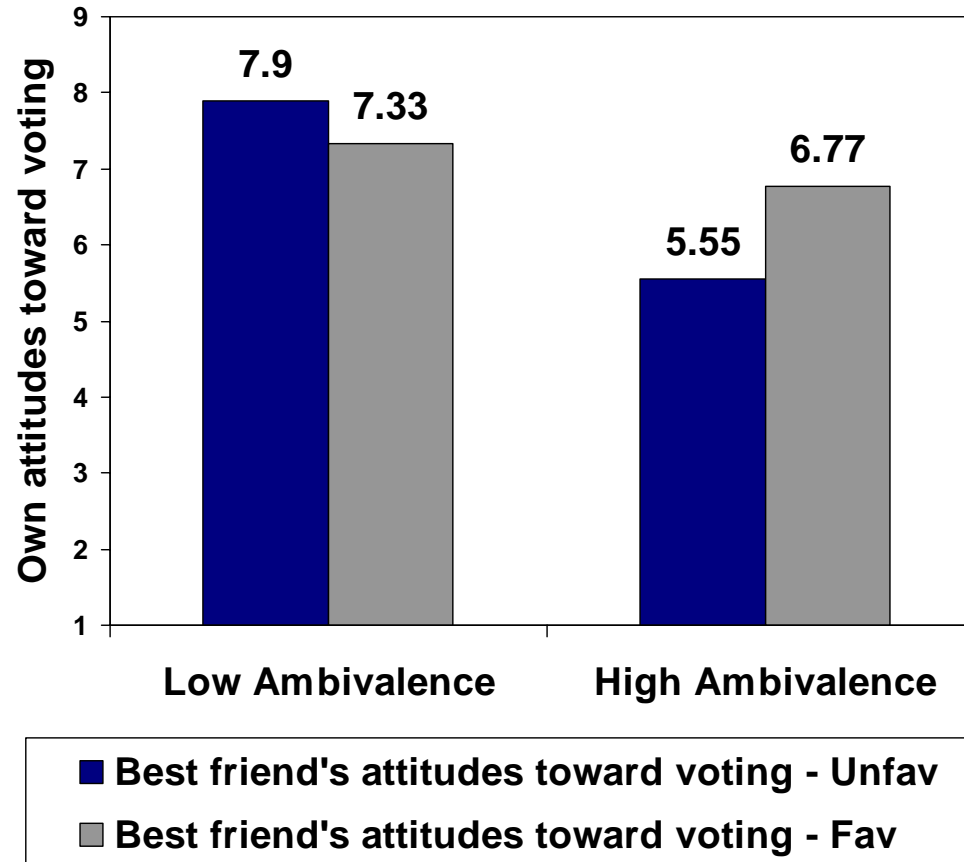
- When do consumers (consciously or unconsciously) rely on others
  - in forming their attitudes?
  - In decision making?
- Role of attitude ambivalence



# When do Consumers Rely on Others?

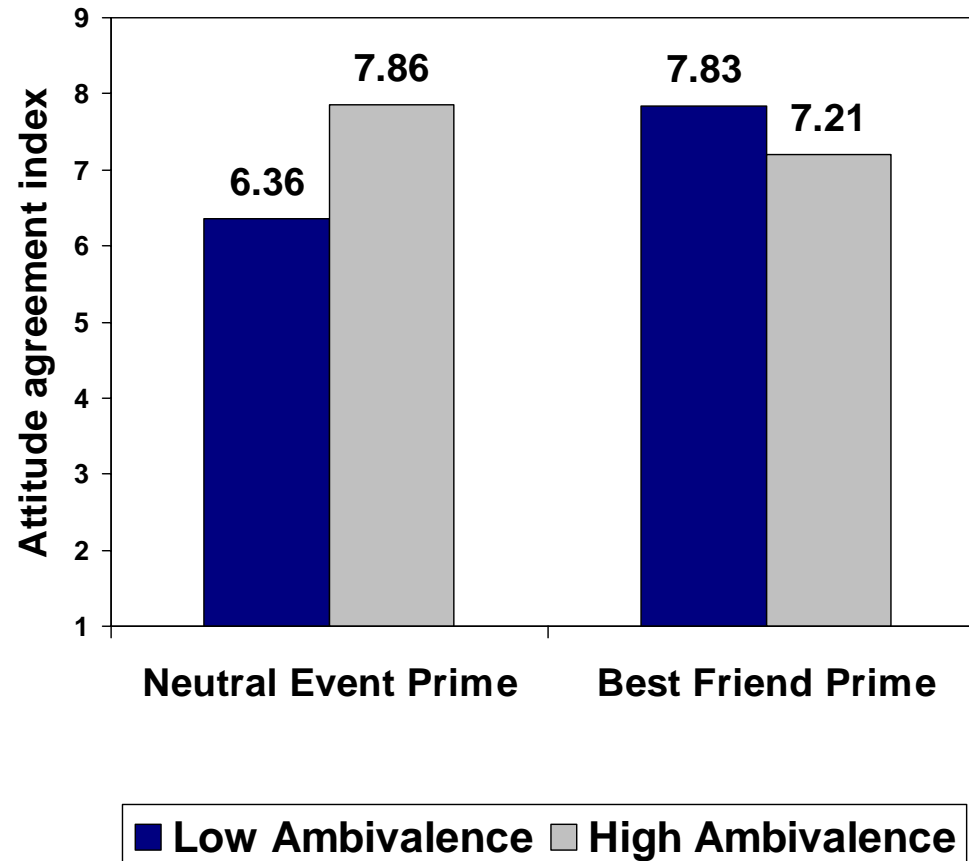
- Zembrorain and Johar (2004), “When do Others’ Opinions Matter?”
  - People rely on many different information sources during the process of attitude formation.
  - People differ in their level of ambivalence even if they are in the same stage of attitude formation (e.g., same level of low knowledge).
  - If they are ambivalent in their attitudes toward a topic, they are likely to use the most accessible input (“how do relevant others feel about it?”) without checking for its diagnosticity. Less ambivalent people are more likely to do a diagnosticity check and use accessible and diagnostic inputs (e.g., objective information)
  - This influence is likely to be automatic.

# Experiment 1: Attitudes toward voting



***People seemed to be influenced by their best friends' attitudes only when they experienced High Ambivalence***

# Experiment 2: Attitudes toward Gays in the Military



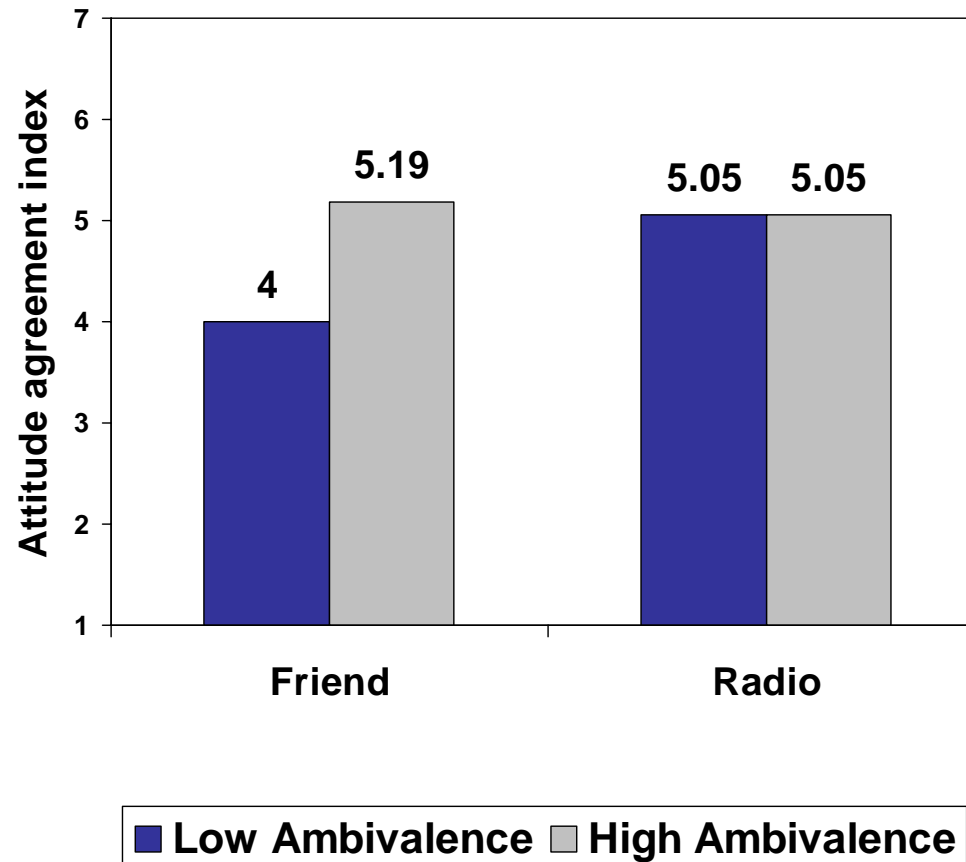
*When primed with their best friend, people seem to use their best friend's attitudes to form their own, regardless of their ambivalence level. When primed with neutral events, people seem to use their best friend's attitudes to form their own only when they experience high ambivalence.*

# Experiment 2: Awareness of Influence

## ■ Results from perceived influence question:

Item	Neutral prime – Amb Lo	Neutral prime – Amb Hi	Friend prime – Amb Lo	Friend prime – Amb Hi	Total
National Security	7	8	8	10	33
Personal Situation	5	9	6	10	30
Best Friend	4	0	2	2	8

# Experiment 3: Attitudes toward Kucinich




***Note: Knowledge about Kucinich is low in all conditions. Radio is informative anyways but friends are not. Friend's opinions only used to boost confidence. No effect for source on message persuasiveness. Subjects unaware of the influence.***




# Recipient's Perspective II

- How do (and how should) consumers
  - select agents?
  - evaluate agents?
  - integrate information from multiple agents?
  - update their own preferences based on agent feedback?



# How do consumers select and evaluate agents?

- Gershoff and Johar, 2004, “How Well Do You Know Me? Consumers’ Calibration of Others’ Knowledge”
  - Rely on close friends
  - Overestimate friend’s knowledge of their own preferences
  - Do not update in the face of feedback about friend’s prediction of their preferences
  - Motivational bias to maintain close relationships – the closer the relationship, the less likely to update in the face of negative feedback about how well the friend knows you
  - Cognitive bias to rely on most accessible information



# The better I think you know me, the more likely I'll be to allow you to...

“Choose a Video at the Video Store”	.221 (p = .090)
“Choose a Restaurant”	<b>.338 (p &lt; .01)</b>
“Choose Your Groceries”	<b>.384 (p = .005)</b>
“Choose a Book”	<b>.292 (p &lt; .05)</b>
“Choose a Vacation Location”	<b>.483 (p &lt; .001)</b>
“Choose a (Music) CD”	<b>.253 (p &lt; .05)</b>
“Choose a Sporting Event to Attend”	<b>.370 (p &lt; .005)</b>
“Choose a Hotel”	<b>.386 (p &lt; .005)</b>
Expected Liking of a Gift from Partner	<b>.544 (p &lt; .001)</b>

n = 60



# Study 1: Friend's Knowledge About Me

- 60 pairs of friends (1 month – 24 years)
- Target described self / Perceiver described target
  - VALS (Mitchel 1983)
  - Grocery items
  - Restaurant preferences
  - Activity preferences (Surra and Longstreth 1990)
  - Consumer Attitudes Interests and Opinions (Hoch 1988)
- Target also provided
  - Estimate of friend's knowledge
  - Length of relationship
  - Similarity to perceiver
  - Relationship involvement (Swann and Gill 1997)



# Correlations of Friends' Knowledge and Consumers' Estimates

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	Measure of Friends' Knowledge	
	Actual Hits	ICC
VALS	.168	-.032
Groceries	.199	.431**
Restaurants	.182	.086
Activities	.052	.116
Consumer Attitudes	.153	.079

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Estimates are not related to friend's actual knowledge



# What Predicts Consumer's Estimates of Friend's Knowledge?

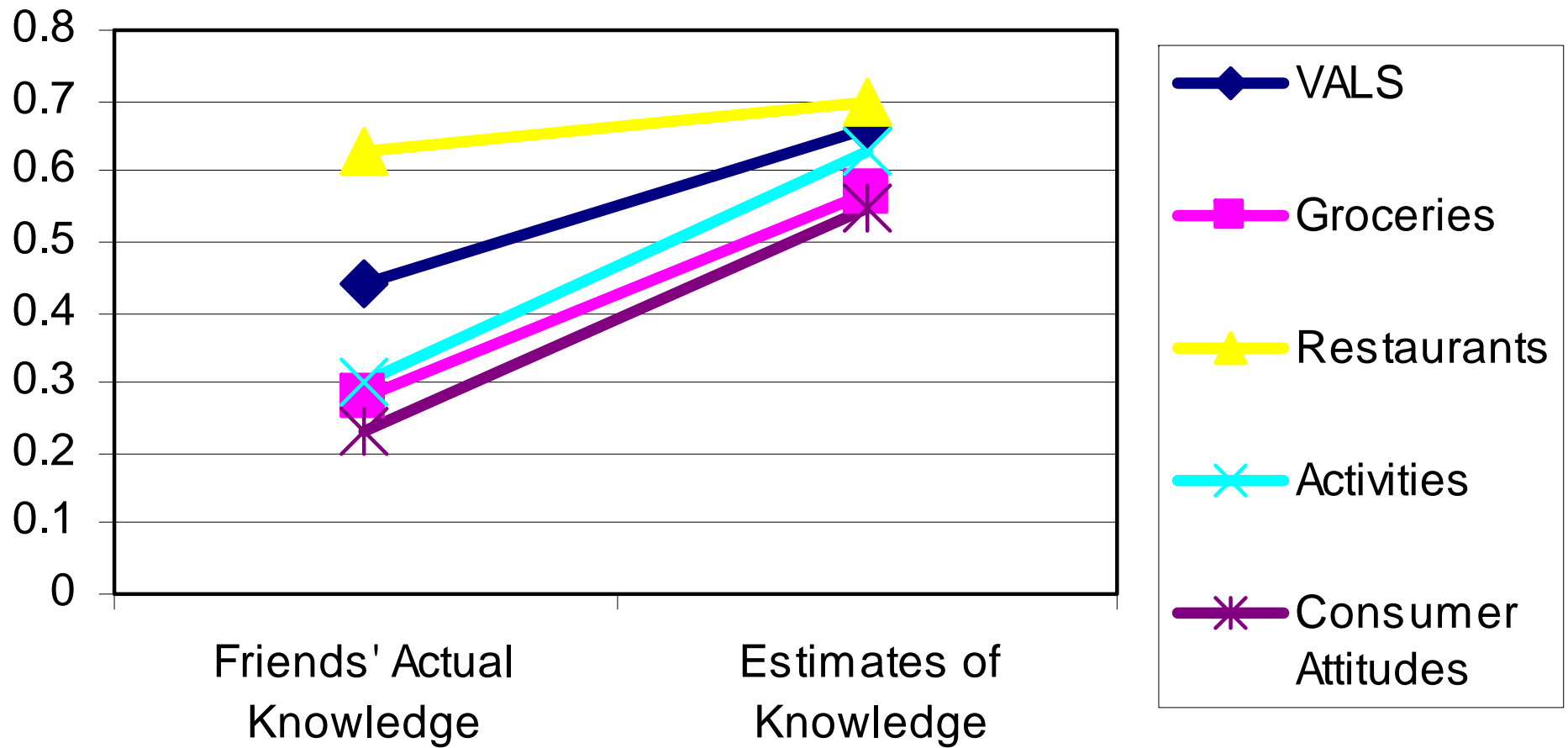
Dependent Variable: Estimate of Friend's Knowledge

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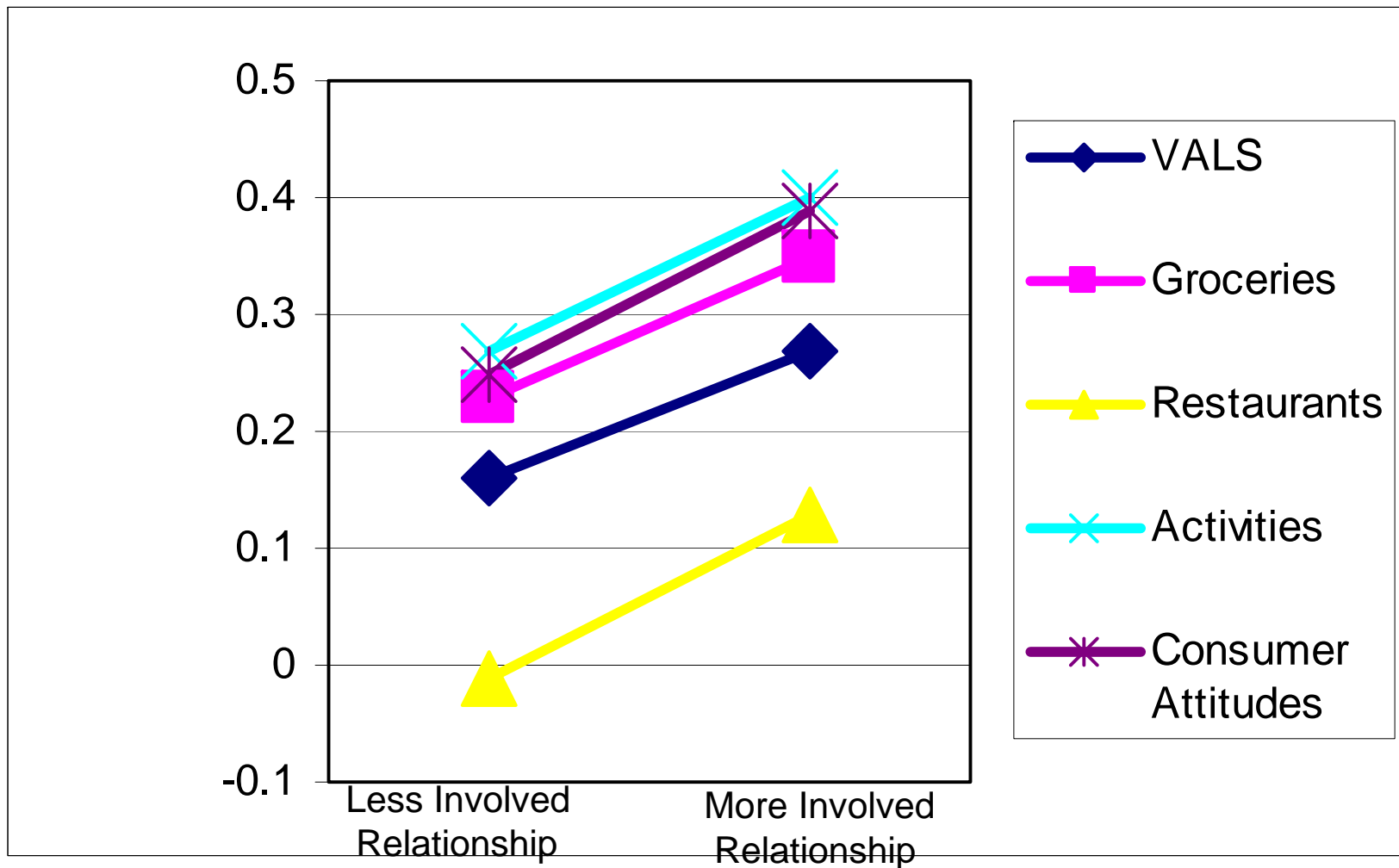
	Perceived Similarity	Relationship Length	Relationship Involvement
VALS	.205	.045	.337*
Grocery Products	.075	.336*	.287*
Restaurants	.114	-.169	.453***
Activities	.152	-.068	.476***
Consumer Attitudes	.008	-.010	.309*

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# Overestimation: Actual Friend's Knowledge Vs. Estimates of Knowledge



# Amount of Overestimation by Relationship Involvement





# Discussion

- Consumers estimates of friend's knowledge about them
  - Not related to actual knowledge
  - Estimates are related to relationship involvement
  - The most involved friends overestimate the most
- Motivated reasoning –
  - To idealize friends (Murray et al. 1996)
  - To protect the relationship (Murray et al. 2000)



# Study 2: Replication and Extension

- 44 pairs of friends – (All Ss as Target)
- Phase I
  - Estimate your friend's knowledge about
    - your preferences (groceries, restaurants, activities)
    - general knowledge topics (capitals, Oscars, chemicals)
- Phase II
  - “Your friend knows (more/less) than your estimate”
  - Estimate again



# Replication of Experiment 1

Dependent Variable: Estimate of Friends' Knowledge

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	Perceived Similarity	Relationship Length	Relationship Involvement
Grocery Products	-.068	.096	.583*
Restaurants	.036	- .020	.449*
Activities	.092	- .048	.585*

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Chemicals  
State Capitals  
Oscar Winners

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# But It's Not Idealization of Close Friends

Dependent Variable: Estimate of Friends' Knowledge

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	Perceived Similarity	Relationship Length	Relationship Involvement
Grocery Products	-.068	.096	<b>.583*</b>
Restaurants	.036	- .020	<b>.449*</b>
Activities	.092	- .048	<b>.585*</b>
Chemicals	.166	.165	.016
State Capitals	-.083	<b>.286*</b>	.087
Oscar Winners	-.133	.020	.030

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# Updating of Estimates

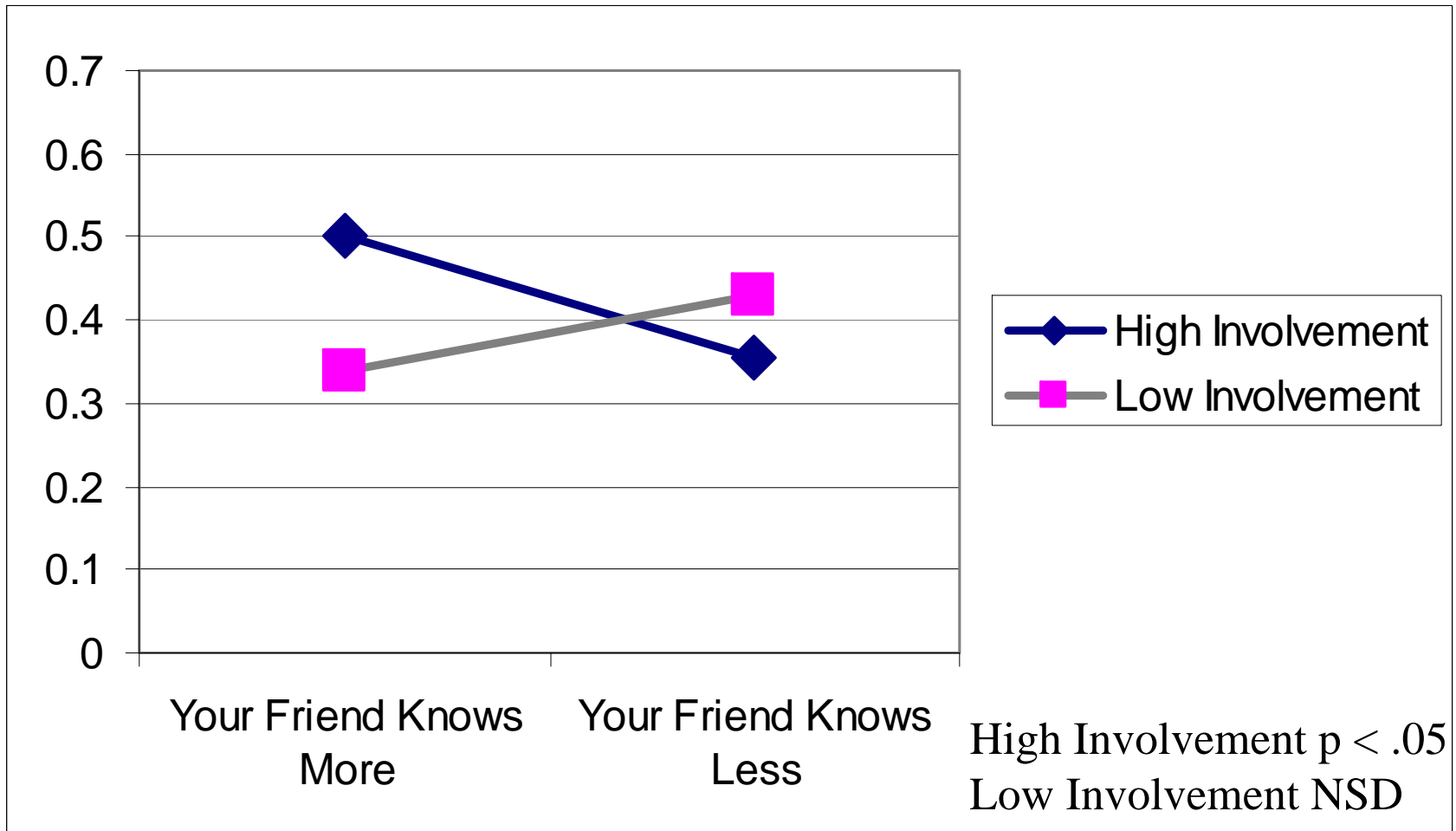
- “Your friend knows (more/less) than your estimate”
- Estimate again
- **Dependent Variable: Normalized Update of Estimate**  
(amount updated / possible amount updated)

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	Feedback Condition (more/less)	Relationship Involvement	Feedback Condition X Relationship Involvement
Grocery Products	-1.355**	-.104	1.570**
Restaurants	-1.558**	.061	1.684***
Activities	-1.479**	.005	1.665***

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# Restaurants





# Recipient's Perspective II

- How do (and how should) consumers
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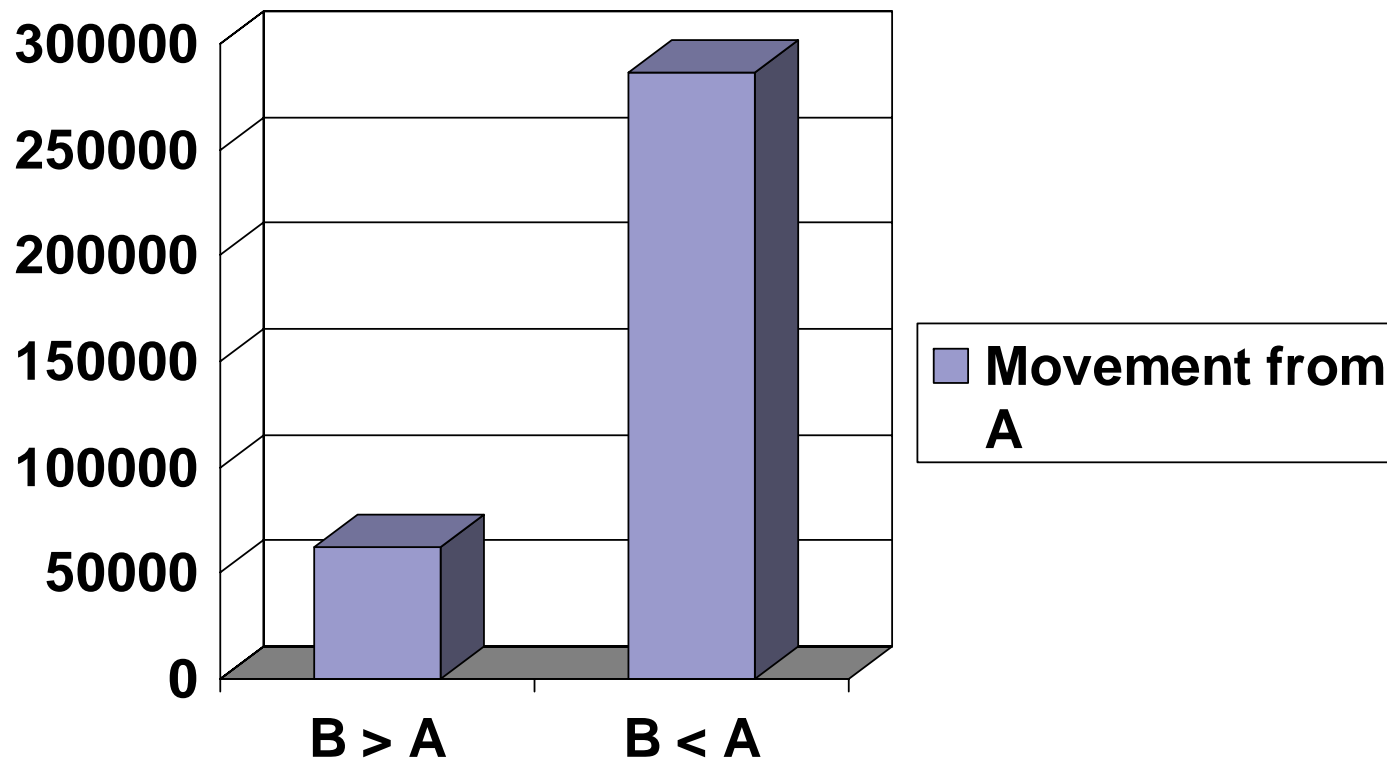


# How do consumers integrate information from multiple agents?

- Roggeveen and Johar (2004), “Integration of Discrepant Sales Forecasts: The Influence of Plausibility Inferences Based on an Evoked Range,” JMR
- What happens when you ask people to integrate two sales forecasts?
- The Typical Scenario
  - You are a manager at an Internet start-up that wants to offer on-line grocery delivery service
  - You have commissioned market research to find out the potential
  - The first report you receive back (A) says 528,900 units will be sold and has 2% margin of error
  - The second report you receive back (B) has 10% margin of error
    - Half the participants receive a report saying 158,670 units will be sold and half the participants receive a report saying 899,130 units will be sold. In both cases, the difference between A and B is the same.
  - You have to estimate sales based on these two reports

# Typical Result: Greater Updating when $B < A$

- DV = Actual Movement from A
- Possible movement is the same when  $B > A$  and when  $B < A$





# Why does this happen?

- A plausible range of forecasts is evoked and weights are applied based on the plausibility of each forecast given that range.
- In the absence of knowledge, evoked range is likely to be from zero to the first forecast A.
- When B is received and is lower than A, it is judged in the range and more plausible than A which is extreme. Hence B is weighted more than A.
- When B is received and is higher than A, it is judged extreme and hence weighted less than A.



# Agent's Perspective

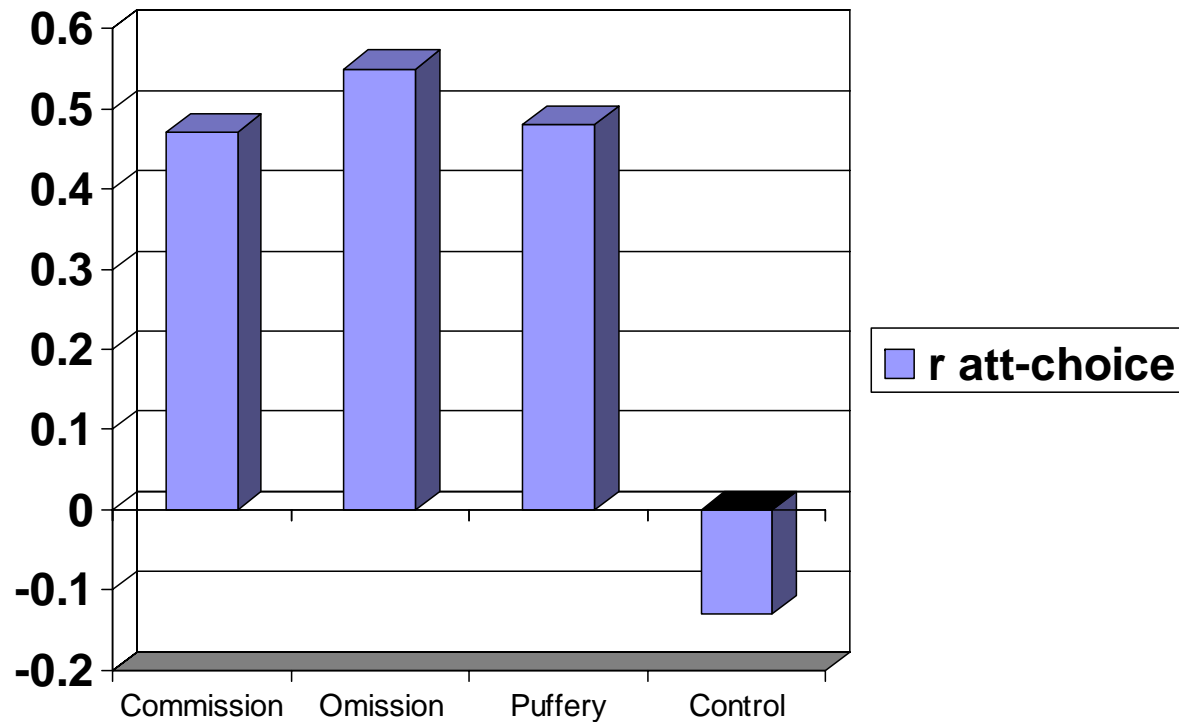
- When are potential agents likely to
  - provide information/assistance?
  - be accurate?
  - update their knowledge of the recipient?
  - be honest?



# Consequences of Agent (Dis)honesty

- Johar and Sengupta (2002), “The Effects of Dissimulation on the Accessibility and Predictive Power of Weakly Held Attitudes, *Social Cognition*.
  - Lying about one’s own attitudes increases accessibility of the original attitude as well as its persistence and correspondence with behavior.
  - Makes lying harder in the long run?

# Results: Lying and Attitude-Choice correlation





# Some Ideas for Research: When and Why Agents have Influence

- What determines whether others have an influence? (e.g., ambivalence)
- When and why is others' opinion activated and not used vs. used? Check for diagnosticity?
- When is influence of others automatic, that is without consumer's awareness or intent?
- What about unsolicited advice (e.g., pop-up ads; Amazon recommendations)? Does it have the same impact as solicited advice?
- How does the reason for using an agent (e.g., lack of knowledge vs. lack of time) influence the manner in which agent advice is used?



## How are Agent Evaluations Weighted and Integrated?

- Do consumers maximize agreements or minimize disagreements when selecting agents?
- Is the impact of a positive recommendation different from that of a negative recommendation?
- How are inconsistent recommendations integrated?
- What is the effect of consistent recommendations/evaluations? Greater belief in the message? What is the impact on source evaluation if source is consistent with others?
- How do motivational and cognitive factors interact to influence weight given to different agents
- How can cognitive and motivational biases be removed?



## How does a Consumer's Reaction Affect the Agent?

- When and how do agents learn a consumer's preferences over time?
- Can agents change a consumer's preferences?
- What is the impact of agent tasks on the agent's own preferences?