When We Practice to Deceive: an Exploration Into the Accommodative Role of Deceptive Practices in Market Exchanges

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The present understanding of marketplace deception is reflected in a stream of research primarily addressing the protection of consumers from the deceptive practices of marketers. The conceptualization that has emerged from this body of work may not sufficiently reflect the role of deceptive practices in negotiated market exchanges. Evidence from the negotiation and mediation literature is cited to support the idea that, in market exchanges involving complex, protracted negotiation, the use of deception by both buyers and sellers may serve to accommodate rather than hinder the exchange process. Based in the theoretical underpinnings of accommodative schemas, an empirical study is proposed to explore the possible accommodative role of deception in consumer market exchanges.

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Since early in the history of studying consumer markets, scholars have maintained an interest in the use of deceptive practices in market exchanges (Deighton and Grayson 1995; Zinbarg 2001). Much of the deception research that appears in consumer and marketing journals addresses the potential of consumers to be deceived by advertising (e.g. Barone, Palan, and Miniard 2004; Johar 1995; and Burke, DeSarbo, and Oliver 1988) and public policy aimed at protecting consumers against deceptive marketing practices (e.g. Burke, Milberg, and Moe 1997; Ford and Calfee 1986). The understanding of deception that emerged from these studies has greatly informed consumer researchers and policy makers as to the various ways consumers may be deceived and the potentially detrimental outcomes of deceptive market practices.

Most consumer research on deceptive practices assumes that a misleading representation, omission, or practice on the part of a seller ultimately results in injury or loss to the consumer. However, not all deceptive practices result in consumer injury or loss. Evidence from the negotiation and mediation literature suggests that the deceptive practices employed by buyers and sellers involved in a negotiation actually facilitate rather than hinder exchange between the two parties. The accommodative function of deception is particularly important in the management of complex protracted negotiation where mutually beneficial resolutions can “…seldom be accomplished by pure rational analysis and logic alone” (Benjamin 1995, pg. 4). Many consumer market exchanges such as the purchase of a new automobile, a new home, major appliances, etc., involve complex negotiations between buyers and sellers. In capturing the full extent to which deceptive practices operate in complex market exchanges, the conceptualization of marketplace deception currently reflected in the consumer literature falls short in two ways. First, with the exception of a recent study of consumers’ interpersonal deceptive practices (Argo, White, and Dahl 2006), extant research accounts only for the deceptive practices of sellers while virtually ignoring the deceptive practices of buyers. Second, extant research does little to inform the potential efficiencies that may be gained from buyers’ and sellers’ use of deception in negotiation processes.

The purpose of this study is to explore the structure and strategic use of deception in negotiated exchanges between buyers and sellers. Specifically, we examine the question, how might deceptive practices, used by both buyers and sellers, serve an accommodative role in the negotiation between parties in a complex, protracted exchange?

Theoretical Background
This study is theoretically grounded in the sociological concept of accommodative moral schemas. The underlying principle of accommodative schemas asserts that describing the ideological orientations of each party in a social exchange does not sufficiently
describe the interactions of the two parties (Lidz and Walker 1980). For instance, buyers and sellers approach market exchanges with opposing ideological perspectives. These ideologies provide meaning and structure to the roles played by both parties in a social exchange. Buyers are guided by an ideology of maximizing their value and minimizing their costs while sellers are guided by an ideology of maximizing their profit. However, these opposing ideological orientations place the parties in conflict with one another. Yet clearly, to achieve a mutually beneficial outcome, buyers and sellers must not approach the exchange process guided exclusively by their independent ideologies. Instead, they require a shared moral schema that facilitates cooperation with the opposing party in the exchange.

The position here is that buyers’ and sellers’ moral orientations toward the use of deceptive practices accommodate the exchange between two parties with otherwise conflicting ideologies. Therefore, in the present context, an accommodative schema refers to an ideology of the morality of deception that is shared between buyers and sellers. An accommodative schema can be thought of as serving the same function as the rules of sport that allow two teams with opposing objectives to play on the same field under prescribed rules of engagement. They are necessary for the cooperation of two groups whose independent ideologies otherwise mandate conflict.

Proposed Study

The purpose of the proposed empirical study is to analyze the strategic use of deception by buyers and sellers to elucidate the potential accommodative role of deception in negotiated market exchanges. To support the notion that deception accommodates exchange, it is important to demonstrate that the use of deception serves two functions. First, the use of deception by both parties must provide one or more reference points which allow and facilitate cooperative action. That is, the moral schemas that guide interaction in the context of a market exchange must be specific to the exchange context and independent from macro-societal moral codes. Second, the use of deception must provide parties in an exchange with “...ways of neutralizing the binds of their mandating ideologies so that they are released from the moral obligations inherent in those ideologies” (Lidz and Walker 1980, pg. 110).

The position here is that criteria to evaluate the accommodative function of deception are embedded in the motivations that drive buyers’ and sellers’ strategies employed in the negotiation process. As such, we propose a study employing qualitative methodology that will attempt to “un-bundle” the motivations associated with the use of deceptive practices by both buyers and sellers. Data will be collected in depth interviews with both buyers and sellers in the context of new car purchases. As a context for exploring the present research question, the new car market is desirable for two reasons. First, the exchange process for new cars is relatively protracted and typically involves a complex negotiation process. Second, the exchange between buyers and sellers in the new car market is typically unmediated. That is, negotiation occurs directly between a consumer and seller rather than between a consumer and an agent of the seller. This second condition is desirable to avoid the complexity of isolating the use of deception by buyers and sellers from the use of deception by the third party in an exchange.

Results of the proposed study potentially will contribute to consumer research in three ways. First, the study represents the first attempt to articulate the role of accommodative moral schemas in a consumer context. Second, the study will extend current research on marketplace deception to include deceptive behaviors practiced by consumers. Finally, by challenging and elucidating the current conceptual boundaries of marketplace deception, this study will provide a holistic account of when and how deceptive techniques are used by buyers and sellers involved in negotiation. This in turn will inform the debate of possible limits that should be observed in the use of deception in consumer market exchanges. As such, the study will be of interest to consumer researchers, marketing researchers, and public policy makers.

References


The Influence of Impression Management Concerns on Product Evaluation
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EXTENDED ABSTRACT

Impression management goals are an important motivation across a wide variety of social situations (Tedeschi 1981). Much research has focused on the tactics individuals use to manage their impressions (e.g. enhanced self-descriptions; Leary 1995). In marketing, research has demonstrated that possessions can affect observers’ impressions (Christopher and Schlenker 2000) and it has been suggested that consumers will strategically display products to achieve impression management goals (Burroughs, Drew, and Hallman 1991). However, there is little research examining the effects of impression management goals on product evaluation. The current research contributes to the literature by demonstrating that impression management goals can exert a powerful influence on consumers’ evaluation of a product. It also highlights the importance of impression management as an avoidance motivation—consumers may avoid certain products, despite their functional benefits, because of the impression the product will convey.

Impression Management

Impression management refers to attempts to regulate behavior in order to influence observers’ impressions. Leary (1995) identified a number of different goals associated with impression management, including positive material and social consequences (e.g. positive emotions that stem from being regarded favorably); constructing and maintaining one’s self-concept (Baumeister 1982); and avoiding socially and materially deleterious consequences associated with negative impressions.

Much of the research on impression management has focused on the tactics individuals use to influence others’ impressions (e.g. expressing similar attitudes to observers (Tetlock 1985), engaging in helping behavior (Deutsch and Lamberti 1986), etc.). Other research has focused on the impression created. For example, Burroughs et al. (1991) showed that observers formed an impression of individuals based on their possessions that was consistent with the image owners were attempting to convey. Gosling et al. (2002) found that observers were able to form consistent and accurate impressions of occupants based on the content of their offices and bedrooms.

The current research contributes to this literature by examining the influence of consumers’ impression management concerns on product evaluation. Specifically, it is shown that consumers’ will pay substantially less for a product when they believe it will convey an undesired impression.

Study 1

The purpose of Study 1 was to examine the influence of consumers’ impression management concerns on their evaluation of a product. We chose a product that was likely (at least occasionally) to be used in public—in this case a portable MP3 player that could be worn around the arm. The color of the product was manipulated in a way that was expected to influence impression management concerns. Specifically, we predicted that when the product was offered in a feminine color (vs. a neutral color), men—but not women—would be concerned about their impression. We also tested the alternative explanation that product evaluation was affected by liking of the color rather than impression management concerns per se.

Method

Ninety-eight students (47 men and 51 women) participated in a 2 (product colour: pink vs. black) x 2 (gender) between-subjects factorial design. Participants were told that they would be participating in an auction for an MP3 player (a “Creative MuVo” with 256Mb of storage). All participants saw the player prior to the auction and were told that they were bidding for that particular MP3 player and that its retail price was $185 after tax. In half of the cases the player was pink, otherwise it was black. The two players were identical in every other respect.

All participants submitted sealed bids. The winner would only pay the amount bid by the second highest bidder though, which creates an incentive for individuals to bid their true maximum willingness to pay. Participants were provided with a detailed example of the procedure to ensure they understood this. After placing their bid, participants completed a questionnaire designed to assess their attitude towards the product (r=.81), liking of the color (single item measure), and the extent to which they would be concerned about using the product in front of other people (impression management concerns, r=.91). All items were measured using 5-point scales.

Results

As expected, there were significant interactions between gender and product color on all dependent variables (willingness to pay (WTP): F(1, 94)=19.34, p<.001; attitude: F(1, 94)=10.44, p<.01; liking of colour: F(1, 94)=21.98, p<.001; impression management concerns: F(1, 94)=45.53, p<.001). Simple effects analyses indicated that men bid less for the pink player (M=513 vs. 843; F(1, 94)=22.54, p<.001), liked it less (attitude: M=1.72 vs. 2.13; F(1, 94)=12.38, p<.001), liked the color less (M=2.5 vs. 2.48; F(1, 94)=44.62, p<.001), and were more concerned about the impression they would convey using the pink player (M=1.29 vs. 2.95; F(1, 94)=73.17, p<.001). Women made no distinctions between the players (no differences were significant). Mediation analyses (Baron and Kenny 1986) conducted on the men’s results demonstrated that the effect of product color on WTP was mediated by impression management concerns (product color–WTP: β=.52, p<.001; product color–impression management–WTP: β=.08 and .58, p>.66 and p<.001), but not liking of the color (product color–liking of color–WTP: β=.35 and .22, p‘=.09 and .29). Similar effects were obtained when examining the mediation of attitudes by impression management concerns and liking of the color.

General Discussion

The current study demonstrated that consumers’ desire to avoid creating a particular impression exerted an important influence on their attitudes and ultimately their willingness to pay for a product. The experimental manipulation was designed to create impression...
management concerns that would primarily influence men. Specifically, a gender-typed color was chosen that was expected to be inconsistent with the image most men would want to create. Supporting this prediction, men liked the pink MP3 player less and consequently bid less than half what they offered for a functionally identical black player. In contrast, women showed no aversion to the pink player, presumably because they were not concerned about the impression it would convey. Future research will examine the influence of impression management goals on product choice and the nature of the specific impressions consumers wish to avoid or convey.

References

Nostalgia Advertisements: A Content Analysis
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Extended Abstract
Background. Very little work has been done on the use of nostalgia as an advertising tactic. Holbrook and Schindler note that “nostalgia has received relatively little attention from academicians in general and from scholars devoted to the study of consumer research in particular” (1991, p. 330). Research on nostalgia is now in its infancy and has focused on nostalgia proneness (Holbrook, 1993), the emotions produced by nostalgic advertisements (Holak and Havlena, 1998), and the consequences of its use in advertising (e.g., attitudes toward the ad, brand, etc.; Muehling and Sprott, 2004, Pascal et al., 2002). The research has shown that nostalgia preferences occur in a wide range of product categories (Schindler and Holbrook, 2003), that advertisements with a nostalgic theme are capable of producing nostalgic reflections (Muehling and Sprott, 2004), and that nostalgic ads create more positive attitudes toward the ad and the brand (Muehling and Sprott, 2004; Pascal et al., 2002). However, none of the research has actually considered the incidence of nostalgia cues in print advertisement. Our purpose is to extend the current research in this area by reviewing the actual occurrence of nostalgia-themed ads used in popular magazines.

A variety of definitions of nostalgia exist in the literature. We borrow from a number of these (Holbrook and Schindler, 1991; Hirsch, 1992; Baker and Kennedy, 1994; Holak and Havlena, 1998) in defining nostalgia as a bittersweet emotional state comprised of many discrete emotions produced by reflection on things (objects, persons, experiences, ideas) associated with an idealized past. This definition was used in classifying ads that used a nostalgia appeal from those that were not.

Method. Using the Top 100 ABC Total Paid Circulation list of magazines for 2004, the authors distinguished ten different categories of magazines. The two most popular magazines from each category were selected. Two issues from 2004 were then randomly selected and reviewed. A total of 40 magazines were included in the current analysis. Two judges reviewed advertisements in the magazines looking for nostalgia ads one-third of a page or larger.

Havlena and Holak (1991) categorized nostalgia products and advertisements into two categories: (1) products or ads directly from the past and (2) new products or messages that “create a ‘period’ feeling” (p. 323). We adapted this framework in distinguishing the use of nostalgia in advertisements from that of products. Each ad was reviewed in detail to determine how nostalgia was being used. Three types of nostalgia were identified: Actual Nostalgia, Borrowed Nostalgia, and Classic Nostalgia.

Actual Nostalgia maps directly onto Havlena and Holak’s first category, and is defined as the use of nostalgia for products from or relating to the time period from which the nostalgia was taken. For example, advertisements promoting CD’s as “A Goldmine of Musical Memories” or movies described as “Timeless Classics” would be categorized as Actual Nostalgia. Havlena and Holak’s second category is split into two different uses of nostalgia, borrowed and classic. Borrowed Nostalgia is defined as the use of nostalgia for current or modern-day products. For instance, Johnson and Johnson’s use of black and white photos depicting a mother and child drawing together at the kitchen table with other crayon drawings hanging on the refrigerator in the background would be categorized in this type of nostalgia. Classic Nostalgia is defined as the use of nostalgia for modern products using old advertisements or memories for the same products from the past. An example of this is Jack Daniel’s use of an old advertisement and pictures of their old distillery and trucks in a current ad.

Results. Of the 2,354 ads reviewed, a total of 88 were identified as using a nostalgia theme. Interrater reliability, using the Perrault and Leigh (1989) measure, showed agreement of .979. The use of the three types of nostalgia varied little, with borrowed nostalgia being
the most common type used, 93.2% or 82 ads (interjudge reliability=.99), and actual and classic nostalgia being far less used, with 5.7% (5 ads) and 1.1% (1 ad), respectively.

Our results also showed that the magazine categories of Family and Home & Garden were the two most popular types of magazines for nostalgia ads with 21 and 19 ads respectively. Also, the results indicate that nostalgia ads appear in a wide variety of product categories, from cars to cell phones, but most often in advertisements for consumable goods. Nostalgia ads were predominantly visual (86.3%, n=76). Far fewer of the ads combined visual with copy that included nostalgic statements. The ads in the actual and classic nostalgia categories all combined visual and copy (100%, n=6), while only 6 ads in the borrowed nostalgia category used both (7.3%).

A number of conclusions are drawn from this study. First, while research has been done about the effect of nostalgia ads on consumers, none has actually done a content analysis on the frequency of nostalgia in print ads. While nostalgic ads are not as common in print as was found for guilt appeals (Huhmann and Brotherton, 1997), previous research shows that the use of nostalgia has a number of practical implications for marketers including more favorable attitudes toward the ad and brand (Muehling and Sprott, 2004; Pascal et al., 2002), as well as increased intentions to purchase the product (Pascal et al., 2002). Given the ramifications of the tactical use of nostalgia, it is surprising that the actual incidence of ads using nostalgia is so small.

Previous research showed that the use of nostalgia is effective; the current research indicates that nostalgia is not a method used widely in print advertising. Further research can be done to show how nostalgia works in the ad, determining which type of nostalgia (actual, borrowed or classic) and which mode (visual, copy, or both) is most effective. Borrowed nostalgia appeared most often in our research, but that does not indicate it is the most effective. Lastly, research could ascertain whether nostalgic ads are more effective for certain product classes or in certain types of magazines.

References

The Impact of Information Format on Consumer Search Order and Choice in an Online Setting
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Extended Abstract
Consumers are having more control over the information flow on the Internet, which helps them to find information that better matches their preferences and be more confident in their judgments (Ariely 2000). However, it is also recognized that the information on the Internet is overloaded and highly manipulative, which can largely influences consumer information search and decision making. For example, research shows that the background picture and color of a web page can influence both novice and expert consumers’ choice and such an effect is mediated by the search behavior for novice consumers (Mandel and Johnson 2002).

This research builds on the literature of online consumer information search and preference construction and further investigates how online information presentation format influences consumer search order and choice. The objectives of this research is to examine (1) how attributes presented in digital versus non-digital format and salient versus non-salient format influence consumers’ search order of attribute and alternative information, and (2) how the search order affects consumer choice.

Built on Lal and Sarvary’s (1999) definition of digital versus non-digital attribute, we consider digital attribute information as information that is presented by numbers, scales, or categories; whereas non-digital attribute information is presented by detailed description. It is much easier and faster to examine digital attribute information. Consumers can easily apply a cut-off point on digital