Understanding Differences Between Firm-Managed and Customer-Managed Brand Communities

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We study firm-managed and customer-managed brand communities of two large firms, National Instruments and Microsoft. Our results, derived using Netnographic methodology, reveal considerable overlap in membership across these communities. However, they also show that firm-managed communities are employed primarily for instrumental purposes whereas customer-managed communities allow more for broader “off-topic” interactions not necessarily involving the firm’s products and brands thereby enabling small groups to emerge and thrive. Firm-managed communities are targeted toward specific, well-defined consumer segments and customer-managed communities may be formed by members of customer groups that the firm overlooked. We discuss theoretical issues and practical implications of our findings along with future research opportunities.

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success. Beyond the focus group approach to product development and marketing, Jones Soda has brought consumers into the production of value and given them unprecedented input into all marketing related decisions.

“How to Get in With the in Crowd”
Catja Prykop, Credit Suisse
Nader T. Tavassoli, London Business School
Andreas Herrmann, University of St. Gallen

Our findings contribute to the literature on brand communities (e.g. McAlexander, Schouten and Koenig 2002, Muñiz and O’Guinn 2001) and consumption-related interactions in high-risk leisure consumer contexts such as skydiving, where interactions represent strong interpersonal bonds: “a shared of ritualistic experience that transcends ordinary camaraderie” (Celsi, Rose and Leigh 1993; p. 12). Findings from this literature are most descriptive of consumers with a high degree of identification with a social category. Building on research on the notion of “collective” social identity, we find that there are qualitative differences to previous research in contexts with strong interpersonal bonds, in that different levels of self-definition represent distinct forms of self-representation with different origins, sources of self-worth, and social motivations (Brewer and Gardner 1996). Relatedly, we find that the drivers of brand choice are moderated by the strength of consumers’ social identification with a scene.

The overwhelming focus of previous research has also been on the fabric and dynamics of the community and to some degree, in the case of brand communities that are centered on and supported by a single brand, their relationship to the focal brand. In contrast, our focus is on brand choice—among a competitive set of brands—for consumers affiliated with non-brand centered social categories. We base our theoretical framework on the sociological concept of scenes (Irwin 1973) where a shared—even mundane—fascination with an activity or topic provides a feeling of belonging. We tested our theoretical framework in a large-scale empirical study (N=1570) in two leisure scenes: the golfer scene and the snowboarder scene. We show that intra-personal (personal identity; Sirgy 1982) and interpersonal (social identity) aspects of the self jointly affect brand choice. We further demonstrate that (1) the effects of brand-self congruity and brand-scene congruity are mediated by functional-, emotional-, and social brand values, and (2) that these effects are moderated by consumers’ level of social identification with the scene.

We further tested a managerial implication from the results of a structural equation model in an experimental study on advertising effectiveness. We found that ads advocating products’ functional benefits provide a more successful positioning for individuals with low scene identification, whereas ads positioned around social benefits are preferred by individuals with high scene identification.

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Grappling with the waning effectiveness of advertising campaigns, the growing consumer resistance toward aggressive direct marketing programs, and increasingly empowered consumers, many marketers have become more and more interested in organizing, nurturing, and monitoring brand communities where their customers can interact with one another (Algesheimer, Dholakia, and Herrmann 2005; McAlexander, Schouten and Koenig 2002; Muñiz and O’Guinn 2001; Schouten and McAlexander 1995).

Despite having considerable practical significance, little research has examined differences between firm-managed and customer-managed brand communities. This issue is especially pertinent to many firms that have recently launched community sites only to find pre-existing thriving communities established and managed by their own customers. Some unanswered questions that we focus on are: Do customers favor a particular type of community and are they entrenched within it? Does company involvement reduce the enthusiasm of participating customers? Which communities have a greater number of social interactions and are more effective in disseminating knowledge? Do these communities favor different sorts of interactions? To examine these questions, we compared and contrasted brand communities supported by the firm and those organized by customers for two different branded products: NI’s LabVIEW software and the Microsoft XBOX game console.

Results of our Netnographic analysis (Kozinets 2002) revealed considerable overlap in customer memberships across the firm- and customer-managed communities. Many of the most active participants tended to post and respond to messages actively in both community venues. However, there was a clear demarcation in what these communities are used for. Firm-managed communities tended to be employed primarily for instrumental purposes by customers, such as seeking assistance with a specific problem, learning about upcoming product launches, events, etc. In contrast, customer-managed communities allow for broader “off-topic” interactions not necessarily involving the firm’s products and brands. In these communities, we found the emergence of small friendship groups of a firm’s customers.

Furthermore, we also found firm-managed communities to be largely targeted toward specific, well-defined consumer segments by the firm. In contrast, customer-managed communities appeared less clearly targeted, and were likely be formed by members of customer groups that the firm may have overlooked. As such, customer-managed communities may enable the discovery of new marketing opportunities for the firm. Based on these and other findings, we will discuss how firms can manage their own communities more effectively, and how they can play a meaningful role in customer-managed communities. In the ACR session, we will also discuss the theoretical issues emerging from our research, as well as highlight promising research opportunities.

REFERENCES
SESSION OVERVIEW

More than 47 percent of the money Americans spend on food is spent away from home, mostly in fast-food restaurants and vending machines. To the relief of nutritionists and public policy officials, fast-food restaurant have shifted their focus from supersizing to offering healthier food and to making nutritional information more salient. For example, much of the success of Subway, the fastest-growing fast-food franchise, has been attributed to its “healthy” positioning (Barrett 2003). Similarly, McDonald’s will voluntarily add detailed nutritional information on hamburger packages. But why then are obesity rates showing no sign of abating?

The presentations in this special session examine whether objectively healthier food and better nutritional information may, ironically, contribute to obesity and whether a different approach, based on offering different portion sizes and bundles, may effectively lead people to choose smaller portions.

The first two presentations show that consumers may not be making healthier food choices when eating in healthier restaurants or when nutritional information is salient. Chandon and Wansink show that the restaurant brand (e.g., Subway vs. McDonald’s) and the presence of healthy items on the menu prime healthy or unhealthy anchors and bias consumers’ estimates of the number of calories contained in their fast-food meals. Calorie underestimation caused by healthy primes then lead people to indulge in high-calorie side orders or desserts. In the end, people may end up consuming bigger meals, yet believe that they consumed fewer calories at healthy restaurants than at unhealthy ones.

In the second presentation, Bloom and Bolton show that more accessible and easier-to-digest nutrition labels only improve food choice among ambivalent consumers. They find that the choices of consumers with either strongly positive or negative attitudes toward nutrition were not influenced by nutrition labels. These effects are robust, regardless of whether nutritional labels contain information on calorie and on the number of minutes on an exercise bike it would take to burn them off the calories or simple red flags, such as those adopted by leading food marketers.

What then can public policy and responsible marketers do to lead people towards healthier food choices? The third presentation suggests an innovative solution. Sharpe, Staelin, and Huber argue that simply adding healthier alternatives on the menu and providing better nutritional information may not be enough. They find that, because of extremeness aversion, simply offering one smaller portion size on the menu (e.g., a 12-oz drink) leads people to choose smaller drinks. In contrast, they find that the current established super-sizing practices lead people to choose larger portion sizes, even when the discount is minimal.
Do we Always Judge a Book by its Cover? The ‘How’ and ‘When’ of the Effect of Consumers’ Stereotypes on Evaluations of Products and Services
Shashi Matta, Ohio State University, USA

SESSION OVERVIEW
Research on stereotypes has an extensive history within psychology, and social cognition in particular. Stereotypes are beliefs about the characteristics, attributes and behaviors of members of certain groups (Hilton and von Hippel 1996). Consumer researchers have acknowledged the importance of stereotypes and have examined the role of consumers’ stereotypes in evaluations of products, firms and services. Stereotypes that have been researched in consumer behavior include gender (e.g., Gill 1988; Fisher and Dube 2005), country-of-origin (Maheswaran 1994; Gurhan-Canli and Maheswaran 2000), and occupations (Iacobucci and Ostrom 1993; Babin, Boles and Darden 1999).

Researchers have long been fascinated by why, how and when people use stereotypes. More interesting, perhaps, are the questions of ‘how’ and ‘when’ stereotypes affect judgments that people make. In this special session, we address these questions by examining the multifaceted effects of consumers’ stereotypes, and how and when they affect consumers’ judgments. The four papers investigate consumers’ stereotypes of gender (Folkes and Matta), race (Faro and McGill; Morris), and consumption (Perkins, Pinter, Greenwald and Forehand) on judgments of products (Folkes and Matta; Perkins et al.), services (Faro and McGill; Folkes and Matta), and advertising (Morris). Each of these papers made a unique contribution to collectively enhance our understanding of the ‘how’ and ‘when’ of consumers’ stereotypes.

In the first paper, Folkes and Matta show that stereotypes about the gender of an organization’s leader influence consumers’ inferences about the quality of the organization’s product or service, and also about gender-typed attributes of the product or service. They vary the leader’s gender in a male-dominated profession, and the ambiguity of information about the leader’s competence. Faro and McGill, in the second paper, continue this investigation of how stereotypes affect consumers’ evaluations of services. They examine racial stereotypes, and show that the social context of the judgment (in the presence of others or alone) and consumers’ self-monitoring moderate the effect of racial stereotypes on consumers’ response to advice by a service provider. Respondents in their experiments were asked to make an investment decision based on the recommendation of a financial advisor who was either White or Black. Consumers’ racial stereotypes also feature in the third paper, in which Morris examines the role of a lifestyle variable—urban identification—on consumers’ evaluations of ads with White or Black actors. While Morris investigates urban identification, Perkins and colleagues, in the final paper, examine the role of another kind of identification—implicit partisanship (a trivial connection between a consumer and a consumption group)—on evaluation of products consistent with group stereotypes. The session is therefore structured with links that facilitate the flow of ideas from one paper to the next.

Overall, the session attempts to present a rich and varied perspective on how and when consumer’s stereotypes affect judgments of products, services and marketing communication. Together, the four papers address both situation variables (e.g., information ambiguity, presence of others in judgment context, implicit partisanship) and individual difference variables (e.g., self-monitoring, urban identification) that affect the role stereotypes in consumer judgments, and provide evidence for the processes by which these variables affect that relationship. We believe that this session guides us towards an understanding of the ‘how’ and ‘when’ in stereotypes research.

EXTENDED ABSTRACTS

“When Women Lead, Do Consumers’ Perceptions of Her Firm Follow?”
Valerie Folkes, University of Southern California
Shashi Matta, Ohio State University

Our research examines when consumers’ gender stereotypes influence perceptions of an organization’s products and services. In particular, we hypothesize that stereotypes about the gender of an organization’s leader influence consumers’ inferences about the quality of the organization’s product or service, and about gender-typed attributes of a product or service.

Consumers receive information about a firm’s leaders from a variety of sources, including news articles, publicity releases and advertisements. That information about the leader may influence consumers’ inferences about the organization’s products and services. A leader is perceived as a prototypical group member or one that represents the organization’s ideal (van Knippenberg and van Knippenberg 2005). In fact, leaders’ and members’ characteristics are related, with top leaders’ personalities and values being similar to their employees’ (Giberson, Resick and Dickson 2005). People are likely to assume that leaders impose their values on the organization and that the organization selects leaders that reflect its values. Hence, consumers may generalize from their inferences about the characteristics of a firm’s leader to characteristics of the service delivered by subordinates, as well as to attributes of products created by the firm.

If information about leaders does influence consumers’ perceptions of products and services, then the leader’s gender may also affect those evaluations. Some research suggests that evaluations will be more negative when the firm is led by a woman. People respond negatively to a female leader because the traits associated with leadership are those more frequently linked to traditionally masculine stereotypes than traditionally feminine stereotypes (Powell and Butterfield 1989). On the other hand, research by Matta and Folkes (2005, study 3) found that a woman leader in a male dominated occupation was evaluated as more competent than a male leader when both performed in an excellent manner.

Our studies attempt to resolve the contradictory findings of Matta and Folkes’ study with previous research on negative evaluations of women leaders, as well as to investigate generalizations from the leader’s characteristics to the service delivered by subordinates and to the firm’s products. Few studies have examined the impact of a firm’s leader on products and services, and those few studies show mixed results. For example, Freiden (1984) compared effects of various types of product endorsers (the firm’s CEO, a typical consumer, a celebrity, an expert) portrayed in an ad for a fictitious product and found no endorser sex differences in spokesperson effectiveness.

We conducted two experiments that investigated consumers’ inferences from high level leaders on perceptions of the type of
service delivered by the leader’s subordinates. Both studies manipulated ambiguity of information about the leader’s competence. Previous research led us to expect that perceivers would be more favorable toward a female in a stereotypically male role when she performs in an unambiguously competent manner than when competency is ambiguous (Heilman and Haynes 2005; Heilman, Wallen, Fuchs and Tamkins 2004). We reasoned that Matta and Folkes’ (2005) findings reflected the unambiguously excellent performance of the woman. Matta and Folkes’ findings should not extend to a leader if competence is ambiguous.

To enhance ecological validity, all studies presented participants with information about an actual organization and the organization’s leader. Participants read information about the leader in a male dominated occupation who was described to half the participants using her actual name and to the other half using a masculine name. Results showed that characteristics of the male leader in a male dominated profession were similar to subordinates, suggesting generalization from leader to follower. When the male leader’s performance was unambiguously competent, the service delivered by subordinates was rated more positively than when his performance was ambiguous. Further, inferences about his sex-typed characteristics (e.g., the extent to which he had agentic or communal traits) were similar to inferences about his firm’s service providers’ sex-typed characteristics.

Characteristics of the female leader were less likely to be generalized to her subordinates. As with the male leaders, less ambiguity about a woman leader’s performance led to more positive evaluations of her compared to when her performance was more ambiguous. Unlike the male leaders, the unambiguously excellent woman was considered more competent than her subordinates, whereas the ambiguously performing leader was considered less competent than her subordinates. Further, respondents were more likely to perceptually isolate the ambiguously performing leader from others in her firm, and to assume that her sex-typed traits were not generalizable to her subordinates.

Study 2 investigated effects of ambiguity and the leader’s gender on perceptions of subordinates as well as on product perceptions. Respondents had actual product experience and then evaluated the product. Respondents’ evaluations of the organization’s output reflected characteristics of the leader rather than characteristics of the subordinates. Hence, inferences that a woman leader had more feminine characteristics than did a male leader affected perceptions of product attributes, with respondents describing products as having more feminine characteristics when the leader was a woman than when a man. The results of these studies indicate that consumers’ gender stereotypes about an organization’s leader can influence evaluations of an organization’s products and services.

“Racial Stereotypes in Consumer Judgment: The Effect of the Presence of Others”

Davis Faro, London Business School
Ann McGill, University of Chicago

Stereotypes have been shown to play an important role in consumer judgments (e.g., Maheswaran 1994; Gurhan-Canli & Maheswaran 2000). In the present research, we examine the role of racial stereotypes in the evaluation of services and, in particular, how the social context of the judgment—in the presence of others or alone—may affect the influence of stereotypes.

Intuition might suggest that racial stereotypes would play less of a role in the evaluation of services in a more public context because buyers would want to avoid any appearance of prejudice. This intuition is consistent with recent consumer research that has highlighted how the presence of others may trigger processes of impression management (e.g., Ariely & Levav 2000; Fisher & Dube 2005; Ratner & Kahn 2002; Argo, Dahl & Manchanda 2005). In this view, consumers may downplay the role of race in their judgments or even provide “politically correct” judgments in which services provided by African-Americans are judged more favorably in public than in private. However, public contexts may cause other effects than those dictated by impression management concerns. Specifically, research on stereotypes has shown that control of stereotypical judgment requires cognitive resources that the presence of others may diminish (Gilbert & Hixon 1991). Therefore we might observe situations in which the presence of others would actually result in more stereotypical judgments (e.g. Lamb et al. 2003).

The present research examines these opposing predictions and relies on individual differences in self-monitoring to predict the direction of the effect that the presence of others would have on evaluations of services provided by minority groups (Snyder, 1974; Snyder & Smith, 1986). Self-monitoring shows particular promise in exploring opposing effects of social presence because it captures differences in sensitivity both to social cues to providing socially appropriate responses and to the distractions caused by the presence of others. Specifically, we predict that for high self-monitors, consistent with prior research on impression management, the presence of others will result in more favorable evaluations of services provided by an African-American (Fiske & Von Hendy 1992; Olivier, Snyder & Livingstone 2004). By contrast, low self-monitors tend to be more anxious in social circumstances and generally to look inward, rather than outward, for cues to behavior. This unease and inward focus might result in more stereotypical judgments in the presence of others, that is, less favorable evaluation of the service.

The first study examined these predictions in the context of an investment decision to be made based on a recommendation by an African-American (versus White) financial advisor. Participants were asked to allocate a sum of money to a stock recommended by the financial advisor and they made their judgments alone or in the presence of a white confederate. The confederate was merely present in the room and was unable to see participants’ responses (Zajonc, 1965). Results revealed the predicted three-way interaction of social presence, race, and self-monitoring. High self-monitors invested more for Black advisor in public versus alone and, further, invested more for the Black advisor than the White advisor in public. This pattern of results reversed for the low self-monitors. Investment levels were lower for the Black advisor in public versus alone, and, further, lower for the Black than for the White advisor in public.

The results of the first study are in line with the account that high self-monitors were better able to control an activated stereotype in public than low self-monitors. The second study was designed to explore an alternative process by which self-monitoring may influence judgments. Specifically, high self-monitors may be so attuned to the demands of the social environment that these individuals may not even activate the stereotype. To test this account, participants in the second study completed the same investment task but also took part in a word completion task that was aimed at measuring activation of racial stereotypes (Gilbert & Hixon 1991). Results indicated that high self-monitors were not less likely to activate the stereotype. Further, the pattern of results from the first study was replicated, but only for those people who activated the stereotype, consistent with the view that results are driven by differences in ability of high and low self-monitors to control the stereotype when evaluating the service.
Results of these two studies demonstrate the opposing effects that public presence can have on the prevalence of racial stereotypes in the evaluation of services. Findings show that public presence can result in more or less politically correct evaluations, depending on individual differences in the sensitivity to social desirability concerns (self-monitoring). We expect that this pattern of results would extend beyond the context of service evaluations, to contexts such as judgments of foreign products or advertising messages involving minority members. The studies presented here reflect the multifaceted influence that public presence can have on consumers’ judgments.

“Beyond Demographics and Stereotypes: Effects of Urban Identification on Responses to Actor Race in Advertising”
Marlene Morris, University of Georgetown

Consumer behavior researchers have identified many criteria by which to segment consumers to explain and predict their behavior ( Zaichowsky 1985; Bettman 1979). While marketers have historically viewed the marketplace in terms of demographics such as race, consumers are increasingly identifying themselves on lifestyle rather than demographic terms. Marketing research has also historically focused on segmentation based upon ethnicity to understand and predict consumer behavior, including specific measures of degree of ethnic identification, examining subcultures such as blacks (Whittler 1991, Williams & Qualls 1989, etc.), Hispanics (Webb 1994) and Jews (Hirschman 1981). In recent years, researchers have begun to follow marketers’ shift from the use of demographic data as the primary basis for understanding and categorizing consumers and predicting their behavior, to segmentation variables with more explanatory power such as subculture and lifestyle. One particular lifestyle segment that crosses racial, ethnic, age and geographic boundaries in an unprecedented fashion is the urban subculture. Despite the great deal of attention that the urban segment has received from marketing and advertising practitioners in recent years, there is currently little understanding of its effects on consumer behavior and effectiveness of marketing communications. The urban segment generally takes multiculturalism for granted and sees things less in terms of black and white than cool or un-cool, making demographic and ethnicity-based segmentation less insightful for newer generations of consumers and behavioral research. Identification with this segment and its characteristic ethnic diversity also creates some confusion about which cultural cues are now seen as stereotypically representative of a particular ethnic group.

Marketers have only recently identified and acknowledged the urban population as a lucrative consumer lifestyle and sociopolitical segment in and of itself, as well as a powerful mechanism for reaching and influencing broader audiences of consumers. The pervasiveness of this segment along with over $890 billion per year in buying power in the U.S. alone (Stavriak 2001) makes it a highly sought-after one for marketers. The current research seeks to examine the effects of urban identification on evaluations of advertising and shows that urban identification mitigates previous findings regarding similarity effects in advertisements.

Existing research in advertising has examined subjects’ responses to ads featuring same- and other-race actors. While studies consistently show that minority (i.e. black) subjects respond more positively to ads featuring same-race actors and related race cues (Appiah 2001), results for the larger majority population are inconclusive, with researchers assuming that there is no significant effect of actor race or race cues on non-black populations. The current study examines the effects of urban identification on majority populations’ responses to ads and finds that within a non-black population, non-urban identifiers prefer ads featuring white actors; however, non-black urban identifiers prefer ads featuring black actors with preference measured in terms of ad liking, similarity of ad to self, identifying with the actor, perceiving a similar style, personality, culture and style of actor’s dress and liking for the actor.

Study results call into question current advertising industry belief and practice, which focuses on demographics—specifically race—as the basis for market segmentation. It also challenges existing notions of stereotypes and effectiveness of in-group and out-group categorizations and cues by showing that particular psychographic and lifestyle variables—urban identification in this instance—mediate the effects of racial stereotypes on consumers’ responses to advertising.

“Ladies and Gentlemen, Lend Me Your Attitudes…: Implicit Attitude Formation As a Result of Group Membership and Consumption Stereotypes”
Andrew Perkins, Rice University
Brad Pinter, Penn State Altoona
Anthony G. Greenwald, University of Washington
Mark Forehand, University of Washington

Previous research has established that individuals’ cognitions and attitudes may form as a result of membership in a group to which that the individual belongs. This minimal group effect (Tajfel, Billig, Bundy and Flament 1971) suggested that the mere assignment of an individual to a randomly selected group resulted in discrimination against other competing groups. Recent research suggest that implicit partisanship may be unconscious in nature, in that individuals automatically self-associate with groups, leading to feelings of in-group bias and out-group discrimination (Greenwald et al 2002, Pinter and Greenwald 2004). Pinter and Greenwald found this robust effect across numerous experimental settings suggesting that implicit partisanship is a category level effect, such that a meaningful group membership is created automatically, with the potential to influence behavior. The current research extends these findings by exploring the formation of attitudes toward target objects that have been randomly associated with a novel group and consumption stereotypes tied to that group.

Two experiments were conducted to explore the potential for attitude formation toward novel objects (experiment 1) and fictitious brand names (experiment 2). Participants were initially told that they would be participating in a campus-wide scavenger hunt, and would be randomly assigned to one of two groups, designated as either team Triangle or Circle. Following random assignment to one of the groups, participants were instructed to complete a simple categorization task that prompted them to first examine a list of ten names of the other students who were members of the two five-member competing groups. Within the group that the participant was assigned, one of the names was replaced with “yourself”, an indication that the participant was a member of that group. Following a thirty second exposure to the list of fictitious student names, participants then completed a trivial categorization task that compelled them to separate the two groups of names using two behavioral responses, in this case, pressing either the ‘d’ key or the ‘k’ key on a computer keyboard. Thus, a participant who was assigned to the Circle team might be required to press the ‘d’ key whenever the name of his team was presented on the screen (as well as the word “yourself”), and press ‘k’ whenever the names of the other team members were presented on the screen. Following this task, participants were then instructed that they would be looking for the scavenger hunt targets: either analog or digital clocks described as present on campus (experiment 1) or fictitious automobile brands.