The Unhealthy = Tasty Intuition and Its Effects on Taste Inferences, Enjoyment, and Choice of Food Products

Rajagopal Raghunathan, The University of Texas at Austin
Rebecca Naylor, University of South Carolina
Wayne Hoyer, The University of Texas at Austin

We find, across four experiments, that when information pertaining to assessing the healthiness of food items is provided, the less healthy the item is portrayed to be: (1) the better its inferred taste, (2) the more it is enjoyed during actual consumption, and (3) the greater the preference for it in choice tasks when a hedonic goal is more (vs. less) salient. We find that these effects are obtained both among consumers who report believing that healthiness and tastiness are negatively correlated and, albeit to a lesser degree, among those who do not report such a belief. We also provide evidence that the association between “unhealthy” and “tasty” operates at an implicit level. Possibilities for controlling the effect of the unhealthy = tasty intuition (and its potential for causing negative health problems) are discussed, including: (1) controlling the volume of unhealthy but tasty food eaten, (2) changing unhealthy foods to make them less unhealthy but still tasty, and (3) providing consumers with better information about what constitutes “healthy.”

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Extended Abstract

The role of affect in consumption experience has attracted substantial research interests in the last two decades (e.g., Erevells 1998; Mano and Oliver 1993). A general finding from the literature is that affective responses are important consumption outcomes that relate to satisfaction/dissatisfaction. However, in addition to being just a consumption outcome, affect can also serve as a primitive motive for consumption as consumers purchase products (e.g., video games) and participate in leisure activities (e.g., theme parks) in order to experience desired affect (e.g., Hirschman and Holbrook 1982; Holbrook and Hirschman 1982). When the consumption is driven by affect, consumers usually anticipate that they will experience higher levels of some specific affect (e.g., pleasure, arousal) during the consumption process. Such goal orientations often play very important roles in consumer behavior. For example, Garbarino and Johnson (2001) have demonstrated that customers’ goal orientation can determine what information is used in satisfaction evaluation of a live theatre company. Yet, little is known about how consumers’ goal orientation and affect derived from the service consumption experience together influence quality and satisfaction evaluations in different service contexts.

Therefore, the objective of this research is to investigate the different impacts of affect (pleasure and arousal) on perceived service quality and satisfaction in different service contexts in which consumers’ major goal orientation is either task-fulfillment, pleasure-seeking, or arousal-seeking.

Hedonic services refer to those services that are consumed primarily for affective and sensory experiences (e.g., Hirschman and Holbrook 1982). Hence, consumers’ major goal orientation in hedonic services is to experience desired affect. Such an affect-seeking goal orientation can be further classified as primarily pleasure-seeking (e.g., fine dining), primarily arousal-seeking (e.g., nightclub), or both (e.g., theme park). On the other hand, utilitarian services are those services that are consumed primarily for instrumental and functional values, e.g., banking. Therefore, consumers’ major goal orientation in utilitarian service contexts is task-fulfillment.

Consumers’ perceived service quality usually results from the comparison of subjective standards with service performance (Parasuraman, Zaithaml and Berry 1988). However, satisfaction differs from perceived quality in that it is relative to situational expectations and involves affective dimensions. As consumers’ major goal orientation in different service contexts determines their expectation of different levels of affect, affect may have different impacts on perceived quality and satisfaction.

In utilitarian service contexts, quality evaluations are mainly based on the judgment of the functional utilities. Such judgment often results in pleasant or unpleasant feelings. The valence of affect may influence perceived service quality through the usage of “how-do-I-feel-it” heuristic (Pham 1998) and/or mood transfer (Bagozzi, Gopinath and Nyer 1999). Given that consumers do not anticipate pleasure in utilitarian service contexts, pleasure may not impact satisfaction directly. Instead, such unanticipated pleasure is likely to influence satisfaction through the mediation of perceived service quality. Similarly, consumers do not particularly pursue arousal in pleasure-seeking hedonic services or pleasure in arousal-seeking hedonic services, such secondary affect may enhance the primary affect and influence consumers’ service quality perception. Therefore, the effect of such secondary affect on satisfaction is expected to be mediated by perceived service quality.

On the other hand, when consumers specifically anticipate strong feelings of pleasure in pleasure-seeking hedonic services and arousal in arousal-seeking hedonic services, such primary affect will have a strong effect on satisfaction even after the effect of perceived service quality is controlled. In other words, primary affect will have a direct effect on satisfaction.

We have conducted two empirical studies to test our hypotheses. In study 1, we examine the different impacts of affect on service quality and satisfaction in a hedonic service context in which consumers’ major goal orientation is pleasure-seeking, and a utilitarian service context in which the major goal orientation is task-fulfillment. In study 2, we examine such relationships in two different hedonic service contexts in which the goal orientation is primarily arousal-seeking or pleasure-seeking.

In study 1, a pretest was conducted to identify the prototype pleasure-seeking hedonic service and utilitarian service. Participants from a university in Hong Kong rated that karaoke and banking services were such services that they often patronized. Questionnaires with a screening question asking participants whether they had patronized karaoke or banking (excluding online banking and ATM) services in the last one month were given to undergraduate students in Hong Kong. Consistent with our hypotheses, results show that the effect of pleasure on satisfaction was mediated by perceived service quality in the utilitarian service context in which the major goal orientation is not pleasure-seeking. As expected, pleasure had a direct effect on satisfaction in the pleasure-seeking hedonic service context; the effect of arousal on satisfaction was mediated by perceived service quality as arousal-seeking was not the major goal orientation.

Study 2 was designed to test our hypotheses in two different hedonic service contexts in which the major goal orientation is either arousal-seeking or pleasure-seeking. Two pretests were conducted to identify and confirm such service contexts. In the first pretest, participants from a U.S. university agreed that nightclubs and fine restaurants represented such service contexts. In the second pretest,
participants who didn’t participate in the first pretest were asked to rate the extent of different feelings they wanted to experience the last time they went to a nightclub or a fine restaurant. Results show that participants wanted to experience more pleasure than arousal at nightclubs, whereas they wanted to experience more pleasure than arousal at fine restaurants. Questionnaires with a screening question asking whether they had been to a nightclub or a fine restaurant in the last one month were given to undergraduate students in two U.S. universities. Consistent with the findings of Study 1, the results showed that pleasure had a direct effect on satisfaction in the pleasure-seeking hedonic service context. As hypothesized, arousal also had a direct effect on satisfaction in the arousal-seeking hedonic service context.

This research adds to the literature of consumer goal orientation and service consumption experience. It further examines consumers’ pleasure-seeking and arousal-seeking goal orientation in different hedonic service contexts. This research also shows how goal orientation determines the direct and indirect impact of affect (pleasure and arousal) on satisfaction. Based on the results of the two empirical studies, we can conclude that the affect that consumers pursue most will have a strong and direct impact on satisfaction; whereas, the impact of other desirable affect on satisfaction will be mediated by perceived service quality.

References

Multidimensional Price Comparison: The Moderating Role of Across Consumers and Across Firms Price Comparison on Perceived Fairness, Regret, and Satisfaction
Felix Tang, The Chinese University of Hong Kong, China
Jianmin Jia, The Chinese University of Hong Kong, China

Extended Abstract
This study is part of a research project that examines the interaction of dimensions in a transaction space of reference price. Research on reference price can be aligned into a congruent perspective by using Bolton, Warlop, and Alba’s (2003) four dimensional transaction space, which postulates that consumers may consider the price of any point along the consumers (i.e., comparing between consumers), products (i.e., comparing cost and profit), firms (i.e., comparing between competitors), and/or time (comparing across time) dimensions in a four dimensional transaction space as a reference point. The results of such realignment exercise enlighten an insight, that sparse effort has been expended to investigate, and clearly separate, both independent and joint influence of multidimensional price comparison on consumer behavioral variables.

Of the four dimensions, the consumers and firms dimensions are particularly important because comparison across consumers is related to the concept of fairness and comparison across firms is related to the concept of regret. While both concepts influence consumer satisfaction, no study has investigated the joint influence of reference price across consumers and across firms on fairness and justice. This investigation not only contributes to both research on reference price and satisfaction but also links the two streams of research together. The relative importance of the two concepts on consumer satisfaction in different price comparison situations may be examined. An equally interesting issue is whether the amount of influence on fairness and regret depends on the direction of price discrepancy; that is, whether the impact is symmetry or asymmetric.

The purposes of this study are 1) to investigate the independent and joint effects of across consumers and across firms price comparison on perceived fairness, regret, and consumer satisfaction, and 2) to examine the presence/absence of asymmetric effect of price inequality on perceived fairness and regret in an experimental setting.

When consumers engage in price comparison, discrepancy in prices across consumers may leads to the issue of fairness (Feinberg, Krishna, and Zhang 2002). Larger price discrepancy across consumers decreases perception of fairness, leading to lower satisfaction (Bolton and Lemon 1999). Similarly, when consumers engage in price comparison, discrepancy in prices across firms may leads to the issue of regret (Inman, Dyer, and Jia 1997). Larger price discrepancy across firms increases perception of regret, leading to lower satisfaction (Taylor 1997). However, the joint impact of discrepancy in prices across consumers and across firms may not simply be additive for two reasons.

First, Kahneman, Knetsch, and Thaler’s (1986) principle of dual entitlement suggests that a price increase is perceived to be fair if the firm’s existing level of profit is the same. When discrepancy occurs across consumers, consumers may attribute the extra income the
company generates as extra profit, this attribution is more applicable when comparing within firm than across firms because the cost of offering the same product/service to different consumers should be very similar. Second, Tsiros and Mittal (2000) identified counterfactual thinking as the underlying cognitive mechanism that stimulates regret. Possibility of counterfactual thinking is reduced when price discrepancy is within firm than across firms.

Regarding asymmetric effect, the property of loss aversion in Kahneman and Tversky’s (1979) prospect theory implies that the impact of a loss is larger than the impact of a gain of equal magnitude. The influence of disadvantageous price discrepancy, which is coded as a “loss”, on consumer perception of fairness and regret is expected to be larger than advantageous price discrepancy, which is coded as a “gain”.

Previous studies have examined the impact of perceived fairness (Bolton and Lemon 1999) and regret (Tsiros and Mittal 2000) on satisfaction independently. This study examined their joint impact on satisfaction. It follows that:

H1: The impact of price inequality across consumers on fairness is diminished when such price comparison is also across firms.
H2: The impact of price inequality across consumers on regret is magnified when such price comparison is also across firms.
H3: The effect of disadvantageous price inequality on perceived fairness is larger than the effect of corresponding advantageous price inequality.
H4: The effect of disadvantageous price inequality on regret is larger than the effect of corresponding advantageous price inequality.
H5: Perceived fairness has a positive influence on satisfaction, and regret has a negative influence on satisfaction.

One hundred and thirty-six undergraduate students in Hong Kong participated in the experiment. The manipulation was scenario-based, in the context of choosing an internet service provider. Price equality (advantageous vs. disadvantageous vs. control) was manipulated to be across consumers and/or across firms. Existing scales for perceived fairness, regret, and satisfaction were adopted and measured. Manipulation checks and suspicion probe were measured. The manipulations were successful and all scale reliability was satisfactory with alphas above 0.80. Data analysis with ANOVA, regression, and SEM yielded converging results supporting all five hypotheses.

This study contributes to the reference price literature in four ways. Firstly, it extends Bolton and Lemon’s (1999) antecedents of payment equity by proposing that consumers not only use their own normative expectation but also another consumer’s outcome as reference points in judging fairness and satisfaction. Secondly, in response to Bolton et al.’s (2003) suggestion, this study investigated the influence of prices paid by other consumers on fairness perception. Thirdly, the findings of asymmetric price effect add support to the property of loss aversion in perceived fairness and regret. Fourthly, this study demonstrates that different dimensions of the transaction space can interact with each other. The significant interaction effect between across consumers and across firms price comparison suggests that simply looking at one dimension of the transaction space at a time may oversimplified the complexity of reference price research. Future reference price research is encouraged to examine other multidimensional interactions.

References

Impact on Online-store Loyalty from Store Image under Influences from Consumption Values
Yiping Song, Fudan University, China
Baijun Zhu, Fudan University, China

Extended Abstract
Fast development of electronic technology and low entry barrier precipitated a heated competition in the online business (Auger and Gallaugher 1997; Klein 1998). More and more online shops are seeking new ways to stand out the competition to win over customers, loyal ones in particular.

Extant researches focusing on off-line business found store image a key contributor to business performance (Nevin and Houston 1980; Samli 1989; etc.). Online store also bears image which is able to create a competitive advantage that is not easily duplicated by other
retailers (Rosenbloom 1983). Store image is the complex of a consumer’s perceptions of the different attributes of the store, namely, general attribute, appearance and service (Manolis et al. 1994). Good store image may lead to store loyalty (Lessig 1973; Sirgy and Samli 1989).

People buy out of various incentives, thus paying attention to different aspects of the store image, which is universal in everyday life. Researches on consumption values suggest that the reason why consumers pay attention to different aspects of the product and make different choices is the seeking of different consumption values (Sheth et al. 1991). The five values identified by Sheth et al. (1991) are functional value, which derives from the perceived utility of the object in the choice situation; social value, attached to a product from its association with social groups; emotional value, which relates to the affective or emotional response to the product; epistemic value, obtaining to a product through curiosity, novelty or knowledge seeking; and conditional value, ascribed to an object through circumstance of use.

818 eligible finished questionnaires were collected online by a professional research company. Demographic indicators of these respondents are consistent with former studies of online-shoppers in China (Dong 2005; Cui 2004).

According to Sheth et al. (1991), although the basic five-dimension framework of consumption values is given, the items for the values should be designed based on specific condition, and each dimension may consist of more than one factor. The multi-dimensional value structure is proved in previous research (c.f., Long and Schiffman 2000; Pope 1998).

Following the guidelines suggested by Churchill (1979), we developed scales of consumption values on online-shopping. Each consumption value scale was independently factor analyzed using SPSS. Seven factors for the consumption values were identified, the uni-dimensional social value, epistemic value, and conditional value, along with two-dimensional functional value (functional and costs advantages) and emotional value (gratification and safety). Tests indicate a good reliability of all the seven values (Cronbach α≥0.80).

Hierarchical cluster analysis using Ward’s method with Squared Euclidean distance, based on the seven factors, grouped the respondents into three, comprising of 230, 297 and 291 people respectively.

The results of ANOVA indicate that the three groups differ significantly in their evaluation about the consumption values (p<0.001). The second group has the lowest evaluation about all the consumption values except functional advantage and safety. In contrast, the third group exhibits the highest evaluation of all the other values, with the epistemic value lower than the first group. The first group has most values ranked between that for Group 2 and Group 3, as well as the highest epistemic value and lowest functional advantage and safety.

A model was constructed to examine the difference of the impact on store loyalty from the three dimensions of online-store image—general attribute, service and appearance, and the mediation of satisfaction and commitment in these three groups. We examined the model using AMOS in three groups separately. Statistical results of the path coefficients of all the three models indicate that, the impact from the three aspects of online store image on loyalty differ from one group to another. The mediation of satisfaction and commitment, and the impact of the two mediators on loyalty are also different among the groups.

Group 1 demonstrates the highest level of store loyalty through satisfaction, but the lowest level of transition from satisfaction to commitment, and from commitment to loyalty. Besides, consumers in Group 1 pay more attention to short-term oriented consumption values, like conditional and epistemic value. Those two features lead to the fact that people in Group 1 turn out to be undecided consumers, apt to switch from store to store. General attribute is the most important store image for Group 1. Enhancement in general attribute image, like better overall sales performance, higher reputation, may help maintain the undecided consumers in Group 1.

Group 2 has the lowest level of transition from satisfaction to loyalty. And only general attribute image has direct positive influence on their commitment. According to the path coefficients, they are least possibly to become loyal. Along with the lowest evaluation about the consumption values, they are termed as non-frequent buyers. Enhancing general attribute is also important for encouraging more purchase from the non-frequent buyers.

For all the three groups, satisfaction and commitment towards online stores will lead to store loyalty, and satisfaction will be changed into commitment. However, path coefficients indicate that, consumers in Group 3 are the easiest to change from satisfaction into commitment. Also, they have the highest level of loyalty through commitment, and relatively high level of loyalty from satisfaction. This result, which is consistent with their high evaluation of the consumption values, indicates that Group 3 is composed of loyal customers. In general, consumers in Group 3 are the most valuable to an online-store. For this group, service is the factor which has the greatest influence on loyalty. Taking their evaluation of consumption values into account, service differentiation can further satisfy those consumers. Customized service can meet the high appeal of the social value from this group.

Additionally, in all the three groups, general attribute image exhibits the highest contribution to loyalty, while appearance image shows the lowest, if any.

Citations

Extended Abstract

Brand architectures involving a parent brand can improve the perception of their associated brands and allow for a simple and cost saving introduction of new products (Smith, 1992). New or established product brands may benefit from associations with parent brands (Aaker & Keller, 1989; Sattler, Volckner, & Zatloukal, 2002). The opportunity of such positive transfer effects, however, comes at a price: The transfer is neither restricted to positive affect, nor is it unidirectional. There are also examples that negative evaluations of product brands can affect parent brands and other associated products. The empirical findings concerning such negative feedback, however, are not equivocal: while Sullivan (1990) found that technical problems with one model of Audi deteriorated the brand image and lowered sales of other Audi products, other researchers did not find negative feedback effects (Aaker, 1996, Loken & Roedder John, 1993, Keller & Aaker, 1992; Romeo, 1991). It seems that, under certain circumstances, parent brands are resistant to effects of negative evaluations of associated product brands. In the present study, we examined whether attribution processes that are specific to parent brands with a strong positive image may prevent strong parent brands from negative feedback effects.

Attribution research is concerned with the judgment of causes for a perceived event. For example, Heider (1958) examined whether the behavior of an individual and his or her individual dispositions are the primary cause of an outcome, or whether external, environmental influences are considered as a primary cause. While attribution research is predominant in research on person perception, there are also a few studies examining causal attribution in the domain of product failures and product-harm crises (e.g., Folkes, 1988; Siomkos & Kurzbard, 1994; Su & Tippins, 1998). Previous research focused on the effects of an incident’s severity (Su & Tippins, 1998) and the consumer’s personal vulnerability (Lauffer & Gillespie, 2004). However, research on expectancy biases in person perception also suggests that the categorization of an actor and the associated expectations influence how causes for negative incidents are construed. For example, Maass, Salvi, Arcuri, and Semin (1998) found that individuals communicate undesirable behavior more abstractly when it was performed by an out-group member than when it was performed by an in-group member. A high level of abstraction can be regarded as a specific form of attribution pertaining the disposition of the actor or the respective group. In contrast, a low level of abstraction can be considered as a more situational attribution in which the undesirable behavior is perceived as caused by external, environmental factors, and is not generalized to the actors’ dispositions. The underlying mechanism is that expected behavior is construed and communicated in more abstract terms and considered as more intentional, while unexpected behavior is construed and communicated more concretely and is considered as less intentional (Fiedler, Blümke, Friese, & Hofmann, 2003). Since the behavior expected for the in-group is mostly positive while for the out-group expectations are often negative, this is a good explanation for the findings of Maas et al.

We assume that a similar mechanism moderates the responses to a product scandal or failure related to strong or weak parent brand. As strong parent brands we consider parent brands that are well established in the market and to which consumers hold strong positive views. In contrast, a weak parent brand should be less established in the market and consumers should not have strong attitudes towards these brands. Since strong positive attitudes are directly linked to positive expectations, a product scandal or product failures are not congruent to the expectations towards a strong parent brand. Therefore, we hypothesized that a product scandal that concerns failures of a product associated with a strong parent brand is construed and communicated by consumers in more concrete terms, and does affect the view of the brand to a minor degree than if the same scandal pertains a product of a weak parent brand.

To test our assumptions, participants received information about a scandal associated with a new product of either a strong or weak parent brand. The product was a soft drink and the scandal was that the product did not contain what the consumers expected. The information about the scandal contained a pictograph and two short essays. The information was sparse and allowed for a variety of interpretations about the causation. The pictograph indicated discordance between what the manufacturer was bottling and what the consumer thought he was drinking, but did not provide any clues on how this had happened and whose fault it was. The essays looked like editorial content of some marketing periodical. They described how the respective company prepared the launch of a new brand in several countries. The product behind the new brand was described, the very competitive market was mentioned, and a vague schedule

The Effects of Product Scandals on Parent Brands: Linguistic Signatures of a Protective Mechanism

Simon Ineichen, University of Basel, Switzerland
Arnd Florack, University of Basel, Switzerland

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for the launch was provided. Also, participants were given the information that the planned launch of the new brand had failed and been aborted to avoid further damage. No exact reasons were explained, only a "flop" was mentioned. Participants were asked to carefully study the material. They evaluated both the product brand and the parent brand before, and after the presentation of the scandal. After studying the information of the scandal, we asked participants to retell the story with their own words as if they were telling it to a friend. The space was limited to one page. We analyzed the resulting texts using the Linguistic Category Model (Semin & Fiedler, 1988, 1991, 1992).

Our Data is consistent with our expectations: the language participants used to retell the story was significantly less abstract, indicating a more situative attribution of the events that were described. In line with this, the strong parent brand took significantly less damage than the weak parent brand did.

This finding implies that the risk of imposing a parent brand may be smaller than thought by some marketing experts. The parent brand, if it is strong enough, can clear the path for a more favorable perception, even of negative behavior.

References

Choosing Between Service Sequences: The Joint Effect of Ego Depletion and Mood on Consumers’ Decision Strategy

Miriam de Groot, Maastricht University, The Netherlands
Benedict G. C. Dellaert, Erasmus University Rotterdam, The Netherlands

Extended Abstract

Previous research on preferences for sequences of outcomes shows that people prefer some sequences over others. For example, people prefer sequences where positive and negative outcomes are spread out over time (Loewenstein and Prelec, 1993). Although previous research presents us with valuable insights into the sequence evaluation process, the conditions under which these sequence preferences hold have not received much attention. Previous research has shown that mood and ego depletion have a profound influence on the level and quantity of information that is processed and as a result on the decision making process (Schwarz, 2001; Baumeister, Bratslavsky, Muraven, and Tice, 1998). Therefore, we believe that when looking at sequence preferences, these two mechanisms can not be overlooked.

This research presents the results of an experiment designed to test a theoretical framework in which the combined effect of mood and ego depletion influences preferences for sequences of service experiences. We argue that ego depletion and mood play an important role in service encounters and that the initial mood state of the customer will influence which components of the service are considered important for the evaluation of the service. In addition, certain events within a service encounter require active self-control by the customer,
such as long waiting times, which might result in ego depletion. In turn, ego depletion will determine how much information is extracted from the service for evaluation.

Our theoretical framework treats mood and ego depletion as two separate mechanisms which operate under different principles. These principles are based upon the level and the quantity of information processing. Based upon these operating principles, we identify 6 ‘rules’ for sequence evaluation which determine service encounter preferences of consumers.

The level of information processing is influenced by mood and can be either gestalt-based or components-based. Gestalt-based refers to the fact that people in a positive mood will process information more superficially (heuristics) than people in a negative mood (Schwarz, 2001) and therefore they will look more at the gestalt, or ‘overall’ appearance of the sequence. Spreading, improvement and the peak-end rule are three sequence characteristics which are important for the sequence evaluation in this case, because spreading, improvement and peak-end are all related to the gestalt or overall ‘appearance’ of the sequence.

Component-based means that people in a negative mood treat the sequence as consisting of separate components instead of looking at the overall pattern. This is grounded in the fact that negative mood states usually lead to more systematic information processing (Schwarz, 2001). Balanced count, myopia and simplified count are characteristics which are important for the sequence evaluation in this case. Balanced count refers to the fact that people determine the overall utility of the sequence and equally weigh all attributes in this count. Myopia (short-sighted) means that people focus primarily on the first element in the sequence. Simplified count means that people will only look at the utility of their most preferred attribute when evaluating the sequence. These sequence characteristics thus focus on the separate components or one component in the sequence instead of the overall pattern.

The quantity of information processing is influenced by the level of ego depletion and can either be focused on multiple components or few components in the sequence. Multiple components refers to the fact that non-depleted people will focus on more information/components in the sequence when making their choice than depleted people. This is based on the reasoning that depleted people have limited resources available to process information and therefore they will use a more simplified decision strategy and evaluate fewer pieces of information (Baumeister, Bratslavsky, Muraven, and Tice, 1998). The peak-end rule, myopia and simplified count are important for sequence evaluation in this case because in all these strategies of sequence evaluation, the focus is on only a few elements in the sequence. Non-depleted people have more resources available and are able to focus on more information/multiple components in the sequence. Spreading, improvement and balanced count are important for sequence evaluation here. All these strategies require the processing of multiple components in the sequence.

The combination of the different levels of mood and ego depletion make up a 2 x 2 experimental design with 4 experimental conditions: positive mood/no depletion, positive mood/depletion, negative mood/no depletion and negative mood/depletion. We expect important interaction effects between mood and ego depletion, where mood moderates the selection of decision strategies based on ego depletion. In particular, people in a positive mood who are depleted, will focus on the peak and end moment in the service encounter. In contrast, people in a negative mood who are depleted, will use myopia and simplified count as strategies for choosing between service sequences.

We investigate our proposed hypotheses in a computerized experiment using Windows MouselabWEB where we systematically manipulate mood and level of depletion and present subjects in each condition with choices between sequences of positive and negative service experiences. We expect that the choice and the decision making process in each experimental condition are based on the rules for sequence evaluation that are provided by the theoretical framework for that specific experimental condition.

References

A Need-Satisfaction Model of Superstitious Behavior
Rajiv Vaidyanathan, University of Minnesota Duluth, USA
Praveen Aggarwal, University of Minnesota Duluth, USA
Taihoon Cha, University of Minnesota Duluth, USA
Seungwoo Chun, University of Minnesota Duluth, USA

Extended Abstract
Chinese manufacturers favor the use of digit 8 and avoid using the digit 4 in their pricing as buyers in China connote digit 8 with “enrichment” and digit 4 with “death” (Simmons and Schindler 2003). This numeric superstition also results in a price premium for properties on the 8th floor in Cantonese societies (Chau, Ma and Ho 2001). Many American hotels skip from the 12th floor to the 14th floor to avoid having guests stay on the unlucky 13th floor (Mowen and Carlson 2003).

Why do so many people, usually well-educated members of a modern, scientific society, engage in these behaviors? What motivates such behavior? The objective of this research is to present a comprehensive model of the mechanisms driving superstitious behavior among individuals and highlight its relevance both in terms of theory and practice. There are five basic problems with existing models of
superstition. First, some models view superstitious behavior as a consequence of a superstitious belief system which is based on a superstitious personality trait (e.g., Mowen and Carlson 2003). Such models are narrow in that they do not provide an adequate explanation for a variety of superstitious behaviors that are not based on a lack of belief in science. A second criticism is that current models fail to recognize the differences between superstition in contemporary society and traditional superstitions. Third, even models that accommodate superstitions based on “half belief” ignore instrumentality-based and social-based superstitious behavior. Fourth, existing models have an inordinate focus on negative superstitions instead of positive superstitions. The most widely used scale measuring superstitious beliefs—the three-item superstition sub-scale of the Paranormal Belief Scale (Tobacyk and Milford 1983; Tobacyk 1988)—only measures the belief that certain omens (e.g., seeing a black cat) are associated with harmful consequences. Not only does this constrain our view of what constitutes superstition, but restricts it to negative superstitions instead of also considering positive superstitions such as rubbing a lucky charm to bring good luck (Wiseman and Watt 2004). Finally, superstition models based on psychological therapeutic effects do not fully explain why the superstitious behavior takes on the particular and stereotyped form that it does.

Assuming that superstitious behaviors serve some underlying individual need, we present a need-satisfaction model of superstitious behavior that classifies the needs met by superstitious behavior into (1) Functional Needs, (2) Psychological Needs, and (3) Social Needs. The operating principle underlying functional need satisfaction is the illusion of control (Langer 1975). A key construct driving this need is perceived luckiness. Luck has been conceptualized as a personal and stable trait that leads individuals to maintain irrational and superstitious beliefs (Darke and Freedman 1997). The illusion of control effect has been found to be a robust psychological effect underpinning lottery gambling (Rogers 1998).

The operating principle underlying the psychological need satisfaction of superstitious behavior is counterfactual thinking (cf. Kahneman and Miller 1986). Individuals evaluate outcomes not only in isolation, but also in relation to alternative events that could have, might have, or should have happened. While a gambler may initially engage in a superstitious ritual because of an illusion of control, the literature has often been at a loss to explain why they continue to engage in the ritual when a series of negative observations show that the ritual is not effective in influencing outcomes. The psychological need-satisfaction element of our model suggests that there is an emotional comfort offered by continuing a ritual and having hope in positive future outcomes. On the flip side, should a superstitious behavior (e.g., picking an anniversary date as one’s personal lottery numbers) be discontinued, there is the “emotional amplification” effect associated with the dread that those numbers would be drawn soon after the behavior is discontinued. Since a person can easily imagine the situation of these long-played numbers hitting right after s/he chooses a different number, there is a strong pressure to continue the superstition. Engaging in a superstitious behavior to avoid a negative outcome “might stem not from the belief that bad things are more likely to happen … but from the belief that any bad thing that does happen will be more psychologically painful.” (Miller and Taylor 1995; p. 368). Our model expands on the concept of “hope” (MacInnis and de Mello 2005) and invokes “anticipated regret” as an opposite emotion that is just as important in driving behavior.

The operating principle underlying the social need satisfaction dimension of superstitious behavior is social learning (Bandura 1962). A great deal of superstitious behavior may be based on observing others and following traditions simply as a way of identifying oneself with the group. Several non-religious superstitious behaviors are driven by social factors without any individual-level belief in its instrumentality. The showering of a newly married couple with rice (interestingly, many modern weddings substitute soap bubbles for the rice suggesting the lack of belief in any instrumental or religious significance of rice), the sharing of rice cakes in Korea before important exam days, and the Indian superstition of crushing a lemon under the wheels of a new automobile are examples of superstitions driven by socio-cultural norms. While it is possible that some of these superstitions were originally developed based on perceived instrumentality, they get adopted as a social ritual over time. The main motivation for individuals engaging in such behavior is to maintain or strengthen their social ties.

This research makes several contributions to the marketing, consumer behavior, and superstition literature. It is the first to present a comprehensive model of superstitious behavior that accommodates a variety of superstition types and different motives consumers may have for engaging in superstitious behavior. The model resolves several problems with prior models of superstitious behavior and provides the operating principle underlying each of the motives for superstitious behavior. We offer a new conceptualization of the emotional underpinnings of counterfactual thinking. Our presentation of hope and anticipated regret as positive and negative emotions associated with counterfactual thinking opens a promising research stream for researchers. The model also lays the groundwork for the development of a more comprehensive scale for the measurement of superstition. Existing scales are grossly inadequate in capturing the variety of factors underlying superstitious behavior. Finally, the model helps those interested in superstition-related marketing communications—both marketers and public policy advocates—to better understand how various communication elements influence consumers to enhance or reduce their superstitious beliefs.

References
Is There an Expected Trade-off Between a Product’s Ethical Value and Its Effectiveness?: Exposing Latent Intuitions about Ethical Products

Michael Luchs, The University of Texas at Austin, USA
Rebecca Walker Naylor, University of South Carolina, USA
Julie R. Irwin, The University of Texas at Austin, USA
Rajagopal Raghunathan, The University of Texas at Austin, USA

This research seeks to demonstrate consumers’ intuition that there is an inherent tradeoff between a given product’s “ethical attributes” and the product’s effectiveness, or functional performance. Ethical attributes are those attributes that reflect a person’s conscience and which may relate to a variety of environmental, individual and societal issues. We demonstrate in our first two studies, using toothpaste (Study 1) and laundry detergent (Study 2) as a product context, that the “ethical=less effective” intuition is moderated by the degree to which the consumer believes that the focal ethical issues are important overall. Those consumers who place the highest importance on these ethical issues infer that these products will actually be more effective. This halo effect, however, disappears and ultimately reverses such that the less importance the consumer places on the ethical issues, the less effective they believe the product will be, i.e. products rated “superb” on ethical attributes were rated significantly lower in effectiveness than products rated “poor” on ethical attributes. We also intend to replicate these studies using a broad, nationally representative sample, as well as test moderators of the intuition such as self/other judgments and precommitment to the intuition.

A national survey found that 88% of consumers were more likely to purchase products from a company deemed socially responsible (Public Relations Quarterly Winter 94/95). However, anecdotal evidence suggests that products from these companies receive limited distribution support and capture a minority share of the market when they are available. Anecdotal evidence also suggests that many ethical products are positioned as premium products, and that price, therefore, may be a critical barrier to their mass market appeal. Recent research, however, suggests that the relative lack of success of ethical products is much more complex than just the tradeoff of ethicality and price. For example, Ehrich and Irwin (2005) demonstrate that consumers who are more motivated to buy products positioned as socially responsible are proportionally less likely to seek out information about a product’s ethical attributes. This “willful ignorance” is driven by an avoidance of the guilt one might experience upon discovering that a desired product does not perform well on ethical attributes. Ehrich and Irwin’s (2005) research also hints at the tradeoff that consumers assume they must make between purchasing a product that satisfies their immediate consumption needs versus one that satisfies their conscience.

In order to more fully understand consumer decision making about ethical products, our research explores both consumers’ inferences as well as their judgments about these products. We propose and test the following hypothesis:

H1: Rated importance of the relevant ethical issue will moderate ethical-effective inferences: As importance increases, respondents are more likely to infer greater product effectiveness from product ethicality. Conversely, as importance decreases, respondents are more likely to indicate that ethical products are less effective.

Thus, consumers who do not believe that a product’s ethics are important make inferences consistent with an intuition we believe is widespread in the market place, i.e. that ethical=less effective. Consumers who do place high importance on a product’s ethics will, instead, make inferences consistent with a halo effect mechanism, in which ethical products are inferred to be more effective.

While we intend to show that rated importance moderates ethical-effective inferences, we also intend to explore whether expression of the ethical=less effective intuition also depends on how the question is framed. It is likely that responses of subjects who rate the ethical issues as important will be more reflective of social desirability influences than of subjects’ beliefs. Belk et al (2003) demonstrate that when dealing with sensitive issues, such as ethical responsibility in our case, projective techniques will mitigate subjects’ tendency to respond in a manner consistent with social desirability influences. As such, we propose to test the following hypothesis:

H2: When subjects are asked to infer what the average person would think about the ethical-effective relationship (vs. what they personally believe), self rated issue importance will no longer moderate responses and instead all subjects will tend to express the intuition that ethical=less effective.

In our first study (n=207), we manipulated product ethicality by telling participants that a new brand of toothpaste had received a rating from the Environmental Sustainability Council (ECS) of either “poor,” for a lack of environmentally friendly practices, or “superb,”
for a demonstrated record of environmentally responsible actions. Thus, the study had a 2 factor (ethics: poor vs. superb) design. In order to test H1, participants were given information about the ethical attributes of the toothpaste, which varied by condition, and were asked to infer its effectiveness. The two key dependent variables were how well the toothpaste was inferred to whiten teeth and how well it provided the benefits the participant looks for in a toothpaste. Participants also rated the importance of a product’s ethics in general.

Two 2 factor ANOVAs (ethicality of toothpaste x participants’ ratings of importance of a product’s ethics) were conducted with inferences about whitening ability and the benefits provided as the dependent variables, respectively. In neither case was there a main effect of ethics on inferences. However, consistent with H1, there was a significant interaction between the ethicality of the toothpaste and the importance ratings such that those participants who felt that a product’s ethics were less important rated the toothpaste with poor ethics as better able to whiten, F(1, 203)=4.53, p<.05, and more likely to provide the benefits they desired than the toothpaste with superb ethics, F(1, 203)=13.73, p<.001, while participants who rated a product’s ethics as more important showed the opposite effect: they believed that the toothpaste with superb ethics would whiten better and would be more likely to provide all the benefits they desired in a toothpaste.

A second study confirmed the interaction between the ethicality of a product and ethical issue importance ratings in a new product context. Since toothpaste ingredients may also have health consequences for the consumer, we chose a new category without this confound: laundry detergent. Consistent with our findings in Study 1, we found a significant interaction between ethicality of the detergent and ethical issue importance ratings with both dependent measures: likelihood of the product’s being recommended by Consumer Reports, F(1, 179)=17.32, p <.0001, and likelihood of providing the benefits desired in a detergent, F(1, 179)=4.84, p<.05.

While these initial studies support H1, Study 3 intends to test H2, i.e. whether subjects will believe that ethical=less effective when asked to infer what the average person would believe about the focal products (as opposed to what they personally believe). In addition, this study will use a broad, nationally representative sample to improve generalizability of the results. Finally, Study 3 will explore what effect precommitment to the intuition has on subjects’ prior inferences. While we have no a priori hypothesis for this manipulation, our intent is to understand the degree to which the ethical importance rating is an accurate assessment of subjects’ beliefs as opposed to resulting from subjects’ desire to be consistent with their prior inference ratings.

References

Examining the Influence of Prominent on Nonprofit Organizations
Christine M. Bennett, University of Minnesota, USA
Hakkyun Kim, University of Minnesota, USA
Barbara Loken, University of Minnesota, USA

Abstract
Corporate sponsorship is an often used fundraising strategy for nonprofit organizations and is considered to be a “win-win” situation for the sponsoring company as well as the nonprofit. While prior research suggests that corporate sponsorship can positively affect the sponsoring company, little research to date has investigated the impact of such sponsorships on the nonprofit particularly when it is the nonprofit that is communicating the existence of the sponsorship. We address this question and examine the impact of corporate sponsors on people’s perceptions of and willingness to support nonprofit organizations. Results from an experiment suggest that revealing corporate sponsors may, under certain conditions, negatively affect a nonprofit’s effort to garner financial support from the general public.

“I’m Glad I Did” or “I Wish I Had:” The Comparative Effects of Satisfaction and Non-Purchase Regret on Future Purchase Intentions
Henrik Hagtvedt, University of Georgia, USA
Matthew Lancellotti, California State University Fullerton, USA
Vanessa Patrick, University of Georgia, USA

Extended Abstract
It seems counterintuitive that a consumer who does not experience your product may be just as valuable as your most satisfied customers. Even less obvious is the recommendation that marketers design promotions such that they can highlight missed opportunities to consumers who did not take advantage of the offer. In this research we examine regret for a forgone purchase opportunity and
demonstrate that non-purchasers reveal a motivation to purchase the product in the future similar to customers who experienced the product and were satisfied.

Traditionally, marketers have focused a great deal of effort on understanding customers who have tried and used the product. The issue has always been to keep these customers satisfied and to find ways to ensure that they continue to purchase the product in the future. The flip side of this equation is to ensure that consumers feel a minimal amount of dissatisfaction and regret for their purchase. The study of regret has been restricted to regret following some action, most often a purchase (Cooke et al. 2001; Tsiros and Mittal 2000). Such a focus is clearly relevant and justified given the negative effect that feelings of dissatisfaction and regret have on repeat purchase and brand loyalty, among other post-consumption outcomes.

In this research we propose that the feelings of regret following a forgone opportunity, i.e. regret for inaction, represents a potent driver of consumer behavior. Unlike regret for inaction examined in the psychology domain, regret for inaction in the consumption arena might be assuaged by the possibility of a similar opportunity arising in the future.

Prior research on inaction inertia suggests that forgone opportunities increase the likelihood of similar inaction in the future (Arkes et al. 2002). At least this seems to be the case when the current opportunity is less attractive than the forgone opportunity, although still positive in an absolute sense (Tykocinski and Pittman 1998). However, it may not be the case when the current opportunity is as attractive as or more attractive than the forgone opportunity. We theorize that consumers who experience inaction regret tend to idealize the forgone opportunity (Newby-Clark and Ross 2003), construing it to be positive and satisfying and eliciting a necessity to act by the contrasting of present reality with favorable expectations (Oettingen et al. 2001). In this case, regret for inaction serves as motivation not to make the same mistake twice. Indeed, in two studies we examine the impact of inaction regret on future purchase intentions and demonstrate that regretful non-purchasers are just as likely as satisfied customers to purchase in the future, and also to pay a premium for this purchase.

Study 1 used a critical incident method to examine inaction regret arising from forgone opportunities versus the feelings of satisfaction and dissatisfaction arising from taken opportunities in a consumption context. One hundred and eighty-two undergraduates participated. Participants in the regret for inaction condition were asked to think about a product that they had not bought, but wished they had. Participants in the satisfaction and dissatisfaction conditions were asked to think about a product/service about which they felt either “much more happy or satisfied than you expected you would” (satisfaction condition) or “much less happy or satisfied than you expected you would” (dissatisfaction condition). After describing the incident, participants answered questions designed to assess future purchase intent and willingness to pay more. Results revealed no significant differences in either the likelihood of future purchase (Mregret=5.91 vs. Msatisfaction=5.92) or the willingness to pay more for the future purchase between the inaction and satisfaction conditions (Mregret=4.67 vs. Msatisfaction=5.08), but significant differences in both between these conditions and the dissatisfaction condition (Mregret=6.64, F(2, 156)=51.30, p<.05 for willingness to pay more). These results indicate that consumers who experience regret for inaction are likely to purchase the item the next time they have a chance, and that they are willing to pay a premium for it.

Study 2 was designed to evaluate key findings from study 1 in an ecologically valid environment. One hundred and twenty-five undergraduates who had just returned from spring break completed a questionnaire online. Fifty-one participants had taken a trip during spring break and fifty-eight of the remaining participants wished they had. Next, satisfaction with spring break, regret with spring break, the desire to take a vacation in the future, and the willingness to commit resources to ensure a future vacation were measured. Results revealed that participants who had taken a vacation were significantly more satisfied with spring break than those who had not done so. A median split was conducted on reports of inaction regret for participants who had not gone on vacation, dividing participants into a low regret group (31 participants)3 and a high regret group (27 participants). Participants who had gone on the trip and those who had high inaction regret revealed an equally strong desire to go on a trip at the next opportunity (Msatisfaction=6.54 vs. Mhigh regret=6.72), and one that was significantly stronger than those who had low inaction regret (Mlow regret=5.78; F(2, 103)=13.43, p<.05). Similar results were revealed for anticipated regret (Msatisfaction=5.33, Mhigh regret=6.15, Mlow regret=4.37; F(2, 103)=8.21, p<.05) and for the willingness to commit resources to go on the trip at the next opportunity (Msatisfaction=6.57, Mhigh regret=6.64, Mlow regret=5.75; F(2, 103)=10.67, p<.05). These results indicate that when consumers feel considerable inaction regret, this feeling leaves them just as motivated to seek out the forgone product at the next opportunity, just as likely to anticipate regretting forgoing the product, and just as likely to commit to purchasing at the next opportunity as are those consumers who did avail of the opportunity and enjoyed the product experience.

An important implication of these findings is that potential customers who have missed or declined opportunities to purchase may be more important than previously surmised. Past promotional efforts directed at those customers are not necessarily sunk costs, with no anticipated future value. Instead, managers may take advantage of the forgone purchase opportunities by highlighting them in retrospect, thus intentionally inducing inaction regret.

References

3An analysis of the open-ended statements revealed that participants who experienced low regret for inaction had deliberately chosen to stay home for spring break for work or some other commitment. On the other hand, participants who had high regret for inaction were those who wanted to go for spring break but failed to make plans or had plans thwarted for some reason.
Food for Thought: Role of Counterfactual Thinking in the Interpretation of Health Claims and Nutrition Information

Khaled Aboulnasr, Florida Gulf Coast, University, USA
Anu Sivaraman, University of Delaware, USA

Extended Abstract

According to the American Heart Association, obesity represents the number two preventable cause of death in the United States and leads to about 300,000 deaths each year (Center for Disease Control and Prevention). This trend is largely driven by an inactive lifestyle, a poor diet and inferior nutrition choices. In an effort to help consumers make more healthful food choices, government agencies have passed measures specifically aimed at strictly limiting misleading health claims used on food packages (Ford et al. 1996). The way consumers use, interpret and attend to both health claims and nutrition information has received considerable research attention due to the significance of the topic to packaged food marketers as well as public policy makers. (Ford et al 1996; Kozup, Creyer and Burton 2003).

In the present study, we seek to extend the literature on consumers' interpretation and use of health claims and nutrition information by connecting it to the literature on counterfactual thinking (CFT).

Counterfactual thinking is the practice of mentally generating alternative realities. According to Page and Colby (2003), counterfactual thinking refers to the process of looking back at past events and mentally imagining how these events could have turned out differently. Krishnamurthy and Sivaraman (2003) suggest that the careful elaboration of information involved in the process counterfactual thinking influences future problem solving behavior and future attitude formation. Hence, by mentally creating alternative realities to past events, individuals may outline prescriptive actions for future encounters (Page and Colby 2003). We propose that the process counterfactual thinking may alter prior findings in regards to the relationship between health claims and nutrition information on food packages on the one hand and product nutrition attitudes and evaluations on the other.

We argue that consumers engaged in an elaborative processing of information through attempting to mentally construct alternative realities to a past negative event are more likely to carefully scrutinize subsequently encountered information. Hence, they will be more likely to distinguish between superior and inferior arguments in favor of a food package that promises better health. Accordingly, we predict that health claims will become especially salient to this group of consumers and as a result have a stronger effect on attitude formation and product evaluation. We also expect that this effect will be positively moderated by the presence of favorable nutrition information. In contrast to prior studies suggesting a limited effect of health claims on attitudes and intentions in the presence of nutrition information, we hypothesize that counterfactual thinking may intensify a positive effect of health claims on product nutrition attitudes. Furthermore, we argue that such effect is affected by the alignment of the nutrition information to the health claim.

The design of our first study was a 2(CFT vs. Control) x 2(health claim vs. no health claim) x 2(favorable nutrition information vs. unfavorable nutrition information.) The design for this study is identical to study 1 of Kozup, Creyer and Burton (2003). One hundred and fifty four undergraduate students participated in the study. The stimuli were identical to the stimuli developed by Ford et al. (1996). Subjects in the counterfactual thinking condition were instructed to indicate how this experience could have turned out differently while those in the control condition were asked to indicate how realistic this scenario was. All dependent measures were assessed using items similar to those used by Kozup, Creyer and Burton (2003). All dependent measures were assessed with seven-point scale, and on all scales higher values indicated a more positive response. Mean scores were used in the case of multi-item measures.

Multivariate effects of the health claim (Wilks’ Lambda=0.06, F=3.34, p<0.03), nutrition information (Wilks’ Lambda=0.25, F=15.92, p<0.01) were significant and interaction effect between health claim and nutrition information was not significant. There was no main effect of CFT (Wilks’ Lambda=0.03, F=1.52, p<0.22). None of the other two-way interactions were significant. The three-way interaction between health claim, CFT, and nutritional information was marginally significant (Wilks’ Lambda=0.04, F=2.15, p<0.10).

Specifically, follow-up univariate analyses revealed a marginally significant interaction effect of health claim and CFT on nutrition attitude (F=3.74, p<0.09) in the favorable nutrition information condition. Thus, when the nutrition information was favorable, exposing subjects in the control condition to health claim negatively influenced the nutrition attitude whereas exposing subjects in the CFT condition to the health claim positively influenced their nutrition attitude. The univariate analyses also indicated a main effect of favorability on all three dependent variables (Nutrition Attitude: F= 59.28, p<0.01; Attitude toward the product F= 62.93, p<0.01; Purchase Intentions F= 44.49, p<0.01).

Study 1 examined the influence of counterfactual thinking on the effect of health claim and nutrition information on health-related beliefs. Consistent with prior research, we find that the effects of health claim and nutrition information on judgments and favorability are independent. However, we find that the interaction effect of health claim and counterfactual thinking on nutrition attitude is strengthened in the presence of favorable nutrition information. This result is in contrast to prior research that has suggested that, in the case of packaged food products, the effect of health claims are independent of the effects of available nutrition information.

One of the limitations of this study is that we did not study the effect of counterfactual thinking on health claims when no nutritional information was present. Study 2 addresses these limitations and also further
investigates the process by which counterfactual thinking influences the interpretation and use of health related claims and nutrition information.

References

Choosing to Conceal: An Investigation of the Impact of Social Influence on Luxury Consumption
Christine M. Bennett, University of Minnesota, USA
Jane E J Ebert, University of Minnesota, USA

Extended Abstract
Throughout the years various theories have been proposed to explain why people engage in conspicuous consumption. Veblen (1912) suggested that the purchase of expensive goods and services is used to signal status and wealth to others. McCormick (1983) suggests that people buy expensive items in an attempt to “keep up with the Joneses” due to a desire to maintain their self-esteem. Regardless of the motivation, both theories suggest that when people buy luxury goods they intend to make their purchase known by either talking about it or showing it off in some way. However, the current research investigates occasions when people may conceal their luxury purchases from others. In four studies, we examine whether and under what conditions the concealment of luxury purchases from others occurs.

Prior research by Kivetz and Simonson (2002) indicates that people need to force themselves to indulge through pre-commitment and that they need to earn the right to indulge through higher levels of expended effort. This stream of research prompts questions concerning what people do when indulgences have not been earned--will they indulge anyway and conceal their indulgences? In the first of two completed studies we explored the circumstances under which people tend to conceal purchases from others. Findings from this study indicate that consumers were more likely to conceal their purchases from others when the item purchased was a luxury or high-priced item. Also, participants tended to conceal from some friends and not other friends. For example, one participant indicated that she paid $100 for a pair of jeans because they were an excellent fit. However, this participant decided to conceal the purchase from her boyfriend because “he’d think they were too much money” yet she revealed the purchase to her girlfriends because “they would understand how hard it is trying to find a pair of jeans that fit.” Similarly, another participant indicated that he concealed the purchase of a $400 cell phone from his friends because “it was expensive”; however, this participant revealed the purchase to his parents because he felt “closer to his parents.” Overall, the findings from this exploratory study suggest that people do not always want to attract attention to the amount of money they spend on an item and that luxury good consumption does not always occur in order to signal wealth and impress others.

The second study investigated whether type of friend (e.g., friend seen day to day versus a friend seen less often) influenced whether or not participants concealed a luxury purchase. We expected that a friend seen day to day would be more aware of the participant’s past purchase behavior and may be more judgmental than a friend seen less often. In general, participants in the day to day condition reported they normally told each other about the products they purchased for themselves to a greater degree than participants in the less often condition shared this information with each other. This is reasonable since participants in the day to day condition have more interaction with their friend as well as more opportunities to disclose information about their lives and consumption patterns. In the experiment, however, after purchasing a luxury good, participants in the day to day condition were more likely to conceal the luxury purchase from their friends than were participants in the less often condition. An investigation of the open-ended responses indicates that participants were particularly concerned about their friends knowing how much they paid for the luxury good. Here, we have converging evidence that concealment of luxury occurs and that people are not always trying to signal status or wealth with their luxury goods purchases. Specifically, people would prefer that their friends not know how expensive an item happens to be.

Prior research suggests that people will allow themselves indulgences when those indulgences can be justified (Prelec and Herrnstein, 1991; Shafir, Simonson and Tversky, 1993). Kivetz and Zheng propose two routes to justification: through effort or excellent performance or without depleting income. This research raises the question of whether justification needs to be made to self, others or both. In two more studies we explore this question and examine whether effort (high vs. low) and a friend’s awareness (public vs. private) of said effort influences the decision to conceal the purchase of a luxury good. In study 3, our manipulation of high effort is a natural one in that the survey was administered during the week of midterms, a demanding time for undergraduates. Low effort will be manipulated by administering the survey during a normal week. Whether the friend is aware or not (public vs. private) of the effort is measured asking participants about their friend’s level of awareness. In study 4, both effort and awareness are manipulated. The public versus private factors are included to examine whether indulgence needs to be justified to self, to others or both. We expect that participants will be least likely to conceal a luxury purchase when effort if high and public and expect that participants will conceal most when effort is low and public. In the high effort condition we expect participants to conceal more when the effort is private versus public because participants are less
able to justify the indulgence to the friend who is unaware of their high effort. For this same reason, we expect participants in the low effort condition to conceal more in the public condition versus private condition. Overall, we predict that amount of effort and the ability to justify indulgence will significantly impact a consumer’s tendency to conceal luxury goods purchases.

References

From Egotism to Averseness: The Role of Implicit Self Judgments in Seller Choice
Luke Kachersky, Baruch College, City University of New York, USA
Hyeong Min Kim, Baruch College, City University of New York, USA

Abstract
Actual bidders in Internet auctions were more likely to participate in auctions when sellers’ screen names had the same first character as their own screen name. This is a case of implicit egotism, whereby people gravitate toward things that resemble the self, and the first such case to be driven by a non-birth given characteristic. However, bidders were less likely to win higher-priced auctions under the same conditions. We propose that this reversal of implicit egotism is due to the salience of risk that may have negative implications for the self.

John enjoys participating in Internet auctions. His screen name is pguy111. One day he comes across two auctions for a new DVD. One seller’s screen name is patrick6, while the other’s is matman. Judging from information like the sellers’ feedback ratings, John believes both are equally trustworthy and that neither one’s auction represents a potential cost savings over the other. In which auction will John participate? It may be expected that John will be indifferent. In this paper we propose that John will be more likely to participate in patrick6’s auction than matman’s auction. Further, we propose that if the auction was not for a DVD, but for a more expensive item such as a DVD player, then John might tacitly avoid patrick6’s auction.

One reason John may choose to participate in patrick6’s auction is because of John’s apparent self association with the letter P, as indicated by the choice of his own screen name. Research on implicit egotism indicates that for the most part people feel good about themselves and that these positive associations spill over into judgments of stimuli that share even the most superfluous characteristic with the self such as the initial of their first name (Jones, Pelham, and Mirenberg 2002; Pelham, Mirenberg, and Jones 2002). The implicit egotism effect has been shown to be truly implicit, outside of conscious awareness (Jones et al. 2004). Implicit egotism has been shown to influence major life decisions including choices of professions (Pelham, Mirenberg, and Jones 2002; e.g. Dennis is likely to be dentist.), living locations (Pelham et al. 2003; e.g. Florence is likely to live in Florida.), and romantic partners (Jones et al. 2004; e.g. Jennifer is likely to marry Jesse.). It has also been shown to influence brand choices (Brendl et al. 2005).

Based on this line of research, if John associates himself with the letter P, then he should have positive associations about sellers who also use the letter P to represent themselves. Thus, while his conscious comparison of matman’s and patrick6’s auctions may deem them equal, we argue that John should be more likely to participate in the latter’s auction because his implicit judgment of patrick6 should be more positive than that of matman. This is an important contribution because extant research shows that implicit egotism stems only from a person’s birth-given characteristics. This research shows that the effect of implicit egotism is more prevalent than previously thought because other types of self-associations (e.g., pseudonym) may lead to implicit egotism.

To date, research has shown only positive effects of implicit egotism. However, negative effects are theoretically possible. For example, if John encounters someone who resembles himself, like patrick6, and that person potentially has negative attributes, would John still gravitate toward this person? Prior research indicates that an individual will distance oneself from a group when the group exhibits undesirable attributes that might reflect negatively on oneself (Cialdini et al. 1976; Snyder, Lassegard, and Ford 1986; Schimel et al. 2000). When John bids on Internet auctions, he is aware that sellers might act fraudulently. When auction prices are high, the threat of fraud should loom particularly large. John should not want to associate his self-concept with the negative attributes that sellers may possess. Therefore, if auctions for an item have high prices, then John should avoid those auctions in which the seller’s screen name shares characteristics with his own. If matman and patrick6’s auctions are for a DVD player, then John should avoid patrick6’s auction because he does not want to associate potentially negative characteristics with his self-concept. As discussed next, our data support this argument. Thus, this research makes another important contribution by demonstrating the reversal of implicit egotism for the first time.

A field study demonstrates the influence of implicit egotism in Internet auction participant behavior. Data was collected from the popular Internet auction site Ebay from November 2005 through January 2006. The set included 123,639 unique auction-bidder-seller combinations and 59,208 unique auction-winner-seller combinations. To ensure that we were studying a truly implicit effect, we examined...
the likelihood of bidding on an auction when only the first character of the seller’s screen name matched the first character of the bidder’s screen name. Indeed, bidders had a greater than chance likelihood of participating in an auction when the first character of the seller’s screen name matched the first character of their own. To examine the hypothesis that the implicit egotism effect would reverse for high priced auctions, we looked at winner-seller pairs because auction winners are financially committed to the transaction. Consistent with our theorizing, for auctions with high bids over $50, bidders had a less than chance likelihood of winning an auction when the first character of the seller’s screen name matched their own. Experimental data currently being collected will replicate and extend these findings.

This research has a number of implications. Implicit egotism not only causes people to gravitate toward things that resemble the self. It also drives people away from self-resembling entities when those entities have potentially negative implications for the self. This opens up a new line of questioning in implicit egotism research. For example, would people named Carl have a higher than chance likelihood of living in Compton, California, notorious for its housing projects and gang activity? Additionally, implicit egotism had been primarily demonstrated through birth-given characteristics (name, birthday). This study shows that implicit egotism can also work via characteristics one selects to represent oneself (e.g., job title).

References

An Exploratory Study on Attitude Toward Luxury Products, Counterfeits and Imitations
Brigitte Muller, HEC Lausanne, Switzerland
Bruno Kocher, HEC Lausanne, Switzerland

EXTENDED ABSTRACT
This research investigates how individual and company-controlled variables affect attitudes toward original luxury goods, counterfeits and imitations. We distinguish original products, which are “goods for which the mere use or display of a particular branded product confers prestige on their owners” (Grossman & Shapiro 1988, p.82), from counterfeits, which are strict copies of genuine products (Kay 1990) and from imitations “designed as to look like and make consumers think of the original brand” (d’Astous & Gargouri 2001, p.153). Consumer’s attitude toward brand imitations and counterfeits has a great impact on brand management decisions and has been recognised as an important stream of research (Keller, 1998). Although several academicians (e.g. d’Astous & Gargouri, 2001; Warlop & Alba, 2004) studied this field, the literature remains scarce and largely incomplete.

The purpose of this research is to study a main effect (the impact of product type on consumers’ attitude), a potential moderator (conformity) and several items that may hinder the purchase of counterfeits or imitations.

Hypotheses
Our main proposition is that consumers will respond differently to original products than to counterfeits or imitations. The purchase of luxury goods is primarily intended to “satisfy buyers’ appetite for symbolic meanings” (Dubois & Duquesne 1993, p.37). Since originals and counterfeits look exactly the same, the attitude toward these two types of products should not differ. However, imitations may be distinguished quite easily from an original or a counterfeit and should therefore be less liked. We propose:

H1: Attitude toward original luxury products will be different from counterfeits and imitations. Specifically, attitude toward:
(a): originals is the same as toward counterfeits
(b): originals is more positive than toward imitations
(c): counterfeits is more positive than toward imitations

However, this first hypothesis is moderated by a personal variable. “Individual behavior is motivated in large part by social factors [desire for prestige, esteem, popularity, acceptance... which] tend to produce conformism” (Bernheim 1994, p.842), defined as an
individual’s behavior in the sense of the conventions of his peer-group. Consumers being highly conform to the rest of the society and wanting to appear as a part of the group (e.g. by dressing similarly to one’s friend, Lumpkin 1985), will evaluate original products more favorably than consumers not caring about conformity to the group. Following these arguments, we propose that:

H2: Attitude toward the product will vary according to the level of conformity. Specifically:
(a) originals are evaluated more positively (the same) than counterfeits by consumers with a high (low) level of conformity
(b) originals are evaluated more positively (the same) than imitations by consumers with a high (low) level of conformity
(c) counterfeits are evaluated more positively (the same) than imitations by consumers with a high (low) level of conformity.

Concerning company-controlled variables, we intended to assess factors which could hinder consumers to buy counterfeits or imitations. Eight items were chosen based on a literature review and on a pretest: perceived level of quality, legal issues, image perceived by others during product usage and purchase, external aspect, price, ethical aspects and made in of the product.

Method
Materials: Two brands (handbags and polo shirts) from the luxury industry were chosen because they were familiar to almost everybody and, even if expensive, were not out of touch for the respondents. Additionally, a lot of counterfeits and imitations for these two brands are available on the market.

Procedure: 62 undergraduate students participated in the study, comprised of two ostensibly unrelated surveys. The first one inquired about personal characteristics like dress conformity (Lumpkin, 1985) and other variables not taken into account in this study. In the second part, a 3x2 between-participants experiment was conducted (type of brand: original vs. counterfeit vs. imitation; conformity: low vs. high). The three stimuli of the experiment were composed of a scenario and an illustration (visual / semantic) describing one of the three types of products.

After time for reflection, the respondents were asked to state their attitude toward the product (Sujan & Bettman, 1989) and the eight items which could possibly hinder their consumption. Every respondent was randomly affected to one of the three scenarios and evaluated the two brands. This gives us a total sample of 124 observations.

Results and Discussion
Manipulation checks indicated that the three types of products were perceived as having different levels of similarity compared to an original product (M_{original}=6.05, M_{counterfeit}=5.45, M_{imitation}=4.61 F(1, 103)=15.962, p<.01).

A 3 X 2 ANOVA was conducted with attitude toward the product as dependent variable, type of product and conformity as between-participant factors. Low/high groups on the conformity scale were constituted using a conventional median split.

The attitude toward original products, counterfeits and imitations was different (M_{original}=4.44, M_{counterfeit}=3.75, M_{imitation}=3.11, F(1, 102)=7.38, p= 0.01). Post hoc tests revealed that this difference is only significant between originals and imitations. These results confirm H1a, H1b and infirm H1c.

The two-way interaction between type of products and conformity was significant by Hotelling’s criterion (F(1, 99)=5.45, p<.01). Planned contrasts revealed that the evaluation of the three types of products differed significantly for consumers with a high level of conformity (F(2, 99)=11.27, p<.01) but not for consumers with a low level of conformity (F(2, 99)=.63, n.s.). For high conformity individuals, participants evaluated more positively originals (M_HC Originals=5.26) than counterfeits (M_HC Counterfeit=3.89, p<.05) and imitations (M_HC Imitations=2.98, p<.01). For low conformity individuals, the evaluations of the three products are the same (M_LC Originals=3.56, M_LC Counterfeit=3.65, M_LC Imitations=3.21, n.s.). Therefore, we confirm H2a and b. On the contrary, counterfeits and imitations were evaluated the same way by high and low conformity individuals, which infirms partially H2c.

Concerning the company-controlled variables, results indicate that the legal and ethical issues are not really taken into account when considering purchasing a counterfeit or imitation. The criterions identified as most important concern primarily the external aspect of the product and its quality.

On basis of this first research, high conformity consumers may be identified as an interesting target group since their product attitude is more favorable towards original products. In a second study, we plan to investigate not only attitudes but also purchase intentions and responses to the identified factors hindering the purchase of counterfeits and imitations. Therefore we project to develop several advertising stimuli in order to verify their effects on purchase intentions.

References
The Effect of Market and Merchant Comparisons on Customer Satisfaction: The Moderating Role of Information Uncertainty and Price Negotiation

Velitchka D. Kaltcheva, Loyola Marymount University, USA
Michael Tsiros, University of Miami and ALBA Graduate Business School, USA

Abstract

We examine whether consumers are influenced by comparisons to other consumers and to the merchant. Past studies have estimated the impact that each type of comparison has on customer satisfaction separately, but have not examined the relative impact of each comparison simultaneously. We also examine the moderating effects of information uncertainty and price negotiation on the relationship between comparison information and customer satisfaction. Results show that unfavorable market comparisons impact customer satisfaction significantly more strongly than unfavorable merchant comparisons. However, no such difference is found for favorable comparisons. Information uncertainty and price negotiation decrease the impact of unfavorable market and merchant comparisons.

Introduction

Past studies have shown that comparative information has an effect on consumer purchase evaluations. For instance, some studies focused on comparisons to other consumers while others looked at comparisons to the merchant. Past research has found that both market and merchant comparisons influence consumer evaluations of a purchase experience.

This research has two contributions. First, we examine the relative impact that comparisons to the market and comparisons to the merchant have on consumer evaluations of their purchase experience. Second, we examine the moderating effects of information uncertainty and price negotiation on the relationship between market/merchant comparisons and customer satisfaction.

Hypotheses

Since earlier studies examined only one type of comparison at a time, there is no evidence which type of comparison may have a stronger impact on customer satisfaction. However, people are likely to pay attention to information to the extent that it is relevant to their decision. For example, paying more than the market price implies that the consumer would probably pay less for the same item if s/he went to another merchant. On the other hand, getting more or less than the merchant typically has little direct impact on the consumer’s wallet. Thus, we expect:

Hypothesis 1: (a) Favorable comparisons to the market affect satisfaction more strongly than favorable comparisons to the merchant; and (b) unfavorable comparisons to the market affect satisfaction more strongly than unfavorable comparisons to the merchant.

Price negotiations are common in farmers’ markets, garage sales and flea markets, the real estate market, and in markets for used products such as automobiles. Consumers at such marketplaces are likely to view initial comparison information as less relevant because the outcome of the transaction can potentially be changed through negotiation. Thus, we expect that:

Hypothesis 2: Information uncertainty decreases the impact of (a) comparisons to the market and (b) comparisons to the merchant on customer satisfaction.

Hypothesis 3: Price negotiation decreases the impact of (a) comparisons to the market and (b) comparisons to the merchant on customer satisfaction.

Method

Two studies were conducted. In both studies, participants were asked to evaluate 25 hypothetical transactions with a local light fixture store. Participants were asked to imagine considering a table lamp for purchase. The retail price of the table lamp was $50 in all 25 transactions. Two variables—the market comparative outcome and the merchant comparative outcome—were systematically varied in the hypothetical transactions. The market comparative outcome had five levels. At the midpoint level, the retail price was the same as the market price. There were two levels where the retail price was above the market price and two levels where the retail price was below the market price. Similarly, the merchant comparative outcome also had five levels: the midpoint level where both the consumer and the merchant benefited equally; two levels where the merchant benefited more; and two levels where the consumer benefited more. For instance, in one condition the transaction was described as follows: “The market price is $50. You save $10 from the market price. You benefit $10 less than the store from the transaction.”
Manipulation of Information Uncertainty and Price Negotiation. The market comparison information and the merchant comparison information were administered either as an exact number (low uncertainty) or as a range (high uncertainty). In the “no price negotiation” condition, participants were told that prices in the store were final and consumers could not negotiate prices at the store. In the “price negotiation” condition, participants were told that it was fairly common to negotiate prices at the store and were specifically instructed that the 25 scenarios showed transaction outcomes before any price negotiations had taken place.

Measures. Participants were asked to rate their satisfaction with each of the 25 hypothetical transactions on an eleven-point Likert scale anchored between “do not like at all” and “like very much.” Participants also completed manipulation checks.

The main difference between study 1 and study 2 was that, in study 1, participants saw the difference between the item’s retail price and the merchant’s outcome from the transaction (the merchant comparison information). In study 2, participants saw the market price, the product’s price, and the merchant’s total product cost and were left to infer the differences in outcomes.

Results

Preliminary results indicate some interesting relationships. More specifically, unfavorable market comparisons had a significantly stronger impact on customer satisfaction than unfavorable merchant comparisons in all conditions in both studies. In contrast, in all conditions in both studies, favorable market comparisons were not more impactful than favorable merchant comparisons. Thus, hypothesis 1b received full support, but hypothesis 1a was consistently disconfirmed.

In addition, information uncertainty significantly decreased the impact of comparison information on customer satisfaction for unfavorable merchant comparisons (when the market comparison was favorable) in study 1, and for unfavorable market comparisons in study 2. Hypothesis 2 was not supported for unfavorable market comparisons in study 1 or for any favorable comparison (market or merchant) in either study.

Finally, price negotiation had exactly the same pattern of effects as information uncertainty. Thus, hypothesis 3 was supported for unfavorable merchant comparisons (when the comparison to the market was favorable) in study 1, and for unfavorable market comparisons in study 2.

Do I Belong? Clothing, Group Membership, and Identity During the College Transition

Mark A. Rademacher, University of Wisconsin–Madison, USA

Clothing has always been “a rich source of signification” for teenagers (Danesi, 1994, p. 76). Fashion has also been described as “salient markers in [individuals’] narratives of personal history” and as “a repository for dreams of an envisionned good life” (Thompson & Haytko, 1997, p. 35). Unlike individuals’ personal possessions, which can be either private or public markers of identity, clothing by definition is a public marker of identity. That is, in a consumer culture clothing reflects various aspects of individuals’ identity to others, including group identity. Consequently when individuals experience identity uncertainty as they transition from one peer culture to another it is likely that they will actively reevaluate the communicative aspects of their wardrobe and adjust it accordingly in an attempt to create and communicate a socially acceptable identity to members of the new peer culture. Moreover, clothing aids in individuals’ attempts to maintain a coherent self-narrative during this period of identity uncertainty.

This paper, therefore, attempts to investigate what role clothing plays in helping individuals negotiate their changing identity during the high school to college transition. The paper begins by discussing how college freshmen engage in anticipatory consumption and pack clothing they believe is appropriate to communicate a college identity. The paper then examines the process by which informants learn to decipher the college fashion-meta code and adapt their fashion to conform to their perceptions of the group norm. Finally, the influence of the college peer culture on students’ fashion for special occasions, especially when they “go out,” is discussed.

Method

Overview and Rationale

The current study answers the call by Corsaro and Eder (1990) to employ longitudinal research to “chart children’s transitions from one peer culture to another” (p. 216). Longitudinal interviews were conducted with college freshmen at the beginning and end of their first semester to examine fashions’ role in the maintenance and creation of identity over time. A longitudinal approach is superior to cross-sectional (e.g., Karp et al., 1998; Mehta & Belk, 1991) and cohort (e.g., Silver, 1996) analysis because it allows the researcher to observe informants’ use of fashion as it changes in relation to both time and make-up of students’ self-concept and social networks. Previous research confirms qualitative methods such as depth interviews are the preferred means of measurement for this phenomenon for their ability to provide detailed descriptions of informants’ lived experiences (e.g., Hill & Somin, 1996; Mehta & Belk, 1991; Silver, 1996). Thus, the current study employed a semi-structured interview format because it provided informants some structure and direction during the interview while allowing them to discuss any additional topics they viewed as relevant. Further, this approach allowed informants to discuss their experiences in their own terms, accounting for the complexities of their lived experiences.

Informant Recruitment

Informants from a large Midwestern university were recruited via flyers posted in heavily trafficked areas around campus and via announcements made in entry-level English, Sociology, and Journalism courses. This approach resulted in 21 inquiries and 19 students (16 female, 3 male) agreeing to participate in the interview process. As compensation for their participation, informants’ names were entered into two random drawings for $50. One drawing occurred at the completion of each round of interviews. This sample, although limited, is consistent with sample sizes of other studies in this field (e.g., Karp et al., 1998; Silver, 1996) and the goals of qualitative investigation, which values depth of description over breadth and generalizability.
**Interview Schedule**

Initial interviews were conducted during the first four weeks of the school year (September 9-24, 2004). Initial interviews ranged from 35-60 minutes. Second interviews were conducted between November 30, 2004 and December 9, 2004. Of the 19 informants who participated in the first interview, 14 (74%) participated in the second interview. Interviews during this round ranged from 26-54 minutes. Interviews were conducted either in a location of the informant’s choosing (e.g., their dorm lobby) or in the lead author’s office. All interviews were recorded using a digital voice recorder for future transcription.

**Interview Structure**

Interviews began with “broad stroke” questions (Thompson, Locander, & Pollio, 1989), such as “tell me a little about yourself and your family,” that were intended to put the informants at ease and make them feel comfortable sharing intimate details of their lives with the interviewer. Follow-up questions covered a wide breadth of topics, with the emphasis placed on the role of fashion in the transition process. The first interviews began with a discussion of informants’ high school experience and their preparation for attending college. The interview then transitioned to students’ initial experiences and impressions of college peer culture as well as descriptions of their daily lives. The second interview focused specifically on how students viewed themselves fitting into the college peer culture and whether their life had changed since high school and the beginning of the academic year. At the completion of the interview protocol, 33 individual interviews had been conducted, resulting in just over 26 hours of discussion. Interviews were then transcribed, resulting in a total of 308 single-spaced pages of text. Interviews were printed out and bound and this text served as data for the analysis.

**Data Analysis**

Data were analyzed when all interviews were completed following the hermeneutic method (Thompson, 1997). First, the researchers began with an impressionistic reading and the identification of recurring themes within each individual interview. This initial reading sought to identify instances where informants explicitly discussed the role of media in their lives. Differences in informants’ descriptions of media use across the two interviews were also noted so as to gain a better understanding of how the role of media evolved over time. A second analysis of the data involved cross-informant analysis, the goal of which was to identify “global themes” that emerged from informants’ descriptions of their experiences. Because any qualitative analysis is an iterative process, a third reading of the transcripts sought to identify any emergent themes not previously identified. Emergent themes were analyzed based on their prevalence, their impact on the students’ transition, and whether or not they contradicted any previously identified themes.

**Summary**

In response to the primary research question explored by this paper, what role do clothes play in the negotiation of identity, it appears that students change their personal style to reinforce and communicate changes in their self-concept, both to themselves and to their new peers. Adjusting their wardrobe allows individuals to express their changing internal identity to others. That is, by wearing certain peer culture approved clothes, students believe that they can communicate to their peers, individuals who possess and use a great deal of consumption stereotypes (Belk et al., 1982), and ultimately themselves, that they belong to the peer culture. This belief allows students to bolster their internal conceptions of self while dealing with the uncertainty associated with this period of transition.

Prior to their arrival on campus, students pack the “identity suitcase” with clothing they perceive as representative of college style in anticipation of their new identity. Once on campus, however, students must decipher the meanings communicated through others’ clothing and decide whether to emulate that style, reject it, or use it to reinforce their previous consumption behaviors (Hirschman & Thompson, 1997). Students appear to most often emulate the style they see on campus as a way to conform to the larger peer culture. The context of the situation (Silver, 1996) also has a direct influence on students’ fashion, as both moving to the college campus and “going out” result in changes in students’ prior dress. By adjusting their clothing, students can communicate various social identities to their peers that reflect the appropriate social role; wearing relaxed clothing such as that from The Gap and Abercrombie & Fitch, for instance, signifies the “student” role, whereas, specifically in this instance for women, wearing more upscale brands, “anything with a label,” and dressing in a provocative manner signifies the adventurous “party girl” role. Clothing, therefore, allows informants to express various, and often contradictory, social identities to others and to themselves as they negotiate their new college identity. At this point it is interesting to note that male informants were less likely to adjust their wardrobes drastically to fit in to the college peer culture in comparison to the more pronounced changes female informants discussed. Whereas women felt a desire to dress in a more casual fashion and consume different brands than they did in high school, it appears male informants did not feel a similar desire. Rather, the casual preppy style males adhered to during high school appears to remain socially accepted within the new peer culture, potentially making the transition to college less stressful, at least in regard to the expression of a college fashion identity.

Overall, informants’ descriptions of the high school and college fashion meta-code are extremely similar. Three possible reasons arise as to why this similarity exists: 1) both high school and college students appear to consume similar media and, therefore, become socialized to and emulate the ideal images the media presents depicting youth culture; 2) high school students emulate college fashion in a process that Goffman (1959) calls “anticipatory socialization” where individuals have already been well versed in the “reality” that is just becoming a reality for them; and/or 3) college students simply carry over their fashion from high school and adjust it slightly to distinguish their current identities from their high school identities by incorporating specific items and brands they perceive as being distinct to the college peer culture into their wardrobes. Future research should explore these possible reasons for the similarities between the two peer cultures in more detail. Regardless, clothing and the negotiation of identity during periods of transition seem to be intertwined. As the informants in this sample moved from the high school peer culture to the college peer culture, they purchased and brought clothing with them that they felt best reflected their identity at that point in time. However, as they slowly incorporated their college identity into their self-concept, specifically for female informants, they also adjusted their style to mirror the dominant peer culture, even taking some articles of clothing home with them. Thus, as they gain greater confidence in their ability to use clothing to enact the college identity, informants...
became less reliant on their previous high school identity. Thus, they move one step closer to reconciling the identity uncertainty the transition from high school to college initiated.

What do Rats Think While They Run? Goal Distance and Cognitive Effort Acceleration
Shirley Y. Y. Cheng, University of Illinois at Urbana-Champaign, USA
Jessica Y. Y. Kwong, The Chinese University of Hong Kong, Hong Kong

Extended Abstract
Recent development in consumer goal research pointed out that goal-achieving effort increases as distance from goal decreases (Kivetz, Urminsky, and Zheng 2006). It was found that consumers accelerate their effort (e.g., making purchase more frequently and in larger quantity) when they approach the reward of a reward program (RP). Looking from the behaviorist perspective, these studies regarded the behavior as a manifestation of rats running toward the food. And the inverse relationship between rate of behavior and goal distance are robustly demonstrated in several studies. This paper argues that changes in the physical efforts are just part of the consequence of goal proximity. Cognitive efforts in processing goal-related information should also increase when one gets closer to the goal. Specifically, we propose that the amount of information people will attend to and the depth of processing should increase with goal proximity.

Generally speaking, people are more likely to engage in systematic and thorough cognitive processing when their involvement in a purchase decision is high than when their involvement is low (Bettman, Luce, and Rayne 1998). For people who are far from the goal of an RP (i.e., at the early stage of an RP), their involvement in the purchase decision is probably low because the subjective value of a distant future reward is minimal (Kirby 1997; Kirby and Herrnstein 1995). One consequence of low involvement is the tendency to use heuristics rather than effortful information processing when making decisions. This is consistent with previous findings that decision to join an RP is influenced by heuristics. Kivetz and Simonson (2003) showed that the perception of one’s own effort relative to that of other consumers influences RP joining decisions. This heuristic may even lead to preference for RPs with greater effort requirement. Their findings suggest that, when the RP goal is far away, consumers tend to base their decisions on effort heuristics (e.g., how achievable is the RP goal?) and may overlook the reward implications of a decision. Such type of information will then make little impact on their decisions.

On the contrary, for individuals who are close to the goal in an RP (i.e., at the late stage of an RP), the subjective value of the RP reward is augmented by the short temporal distance (Kirby, 1997; Kirby & Herrnstein, 1995). The increased subjective value of the reward would lead to high involvement in purchase decisions, in turns, individuals are more likely to attend to and subject information to thorough and systematic processing. Thus, we expect consumers will make more effortful decisions rather than using heuristics. Taken together, we predict that information pertaining to reward value should have a greater impact on purchase decisions when the RP goal is near than far away.

As an initial attempt, we tested this idea by assessing the differential influences of unit value of RP reward on people’s purchase decisions across goal proximity. Unit value of RP reward refers to the equivalent reward value earned per purchase. Consider an RP in which participants will be given a $150 cash coupon for every 10 stamps collected. The unit value of the RP reward is $15, which equals to $150 reward value divided by the total number of purchases (i.e., 10). This information informs people the reward implications (i.e., monetary implication of each purchase in terms of the RP reward). In the example, unit value highlights the chance to get $15 in return for each purchase. Our basic tenet is that the unit value information of an RP should have a greater likelihood in altering purchase decisions when people subject incoming information to deliberate and thorough processing, but not so when the processing appears to be heuristics based (unit value does not have implications on effort heuristic). In short, we predict an interaction between unit value of RP reward and goal proximity that the availability of unit value will have strong impacts on individuals’ purchase decisions only when they are close to the goal but not when they are far from the goal.

The above prediction was supported in a study using the RP described above. Participants (180 undergraduate students) were asked to imagine that they joined the reward program of Supermarket A. In the reward program, they would obtain one stamp for every certain amount of purchase at Supermarket A, and would receive HK$150 cash coupon once they accumulated ten such stamps. Goal proximity was manipulated by the number of stamps (one vs. eight stamps) participants got. Unit value information was manipulated by the information printed on the stamps—“$15 reward” in the unit value conditions whereas “reward” in the control conditions. Also, a statement “Each stamp is equivalent to $15 in cash reward!” was included on the stamp cards in the unit value conditions. Participants had to decide whether to do their purchases at Supermarket A or Supermarket B. While Supermarket B did not have any promotional offers, it is more accessible than Supermarket A.

Consistent with our predictions, unit value influenced repurchase intention only when participants were at the late stage of the RP (Mabsent=5.78, Mpresent=4.71; F(1, 88)=15.12, p<.001), but not when they were at the early stage (Mabsent=3.73, Mpresent=3.89; F<1). We also found that perceived ability to complete the RP (i.e., effort heuristic) influenced purchase decisions only at early stage but not at late stage. One interesting finding of this study is that effort acceleration (Kivetz et al. 2006) is actually reduced by the presence of certain reward information (lower purchase intention when unit value information is available during late stage). It suggests a possible boundary condition of the goal-gradient effect. While physical efforts to attain a goal increase with goal proximity, this study highlights that cognitive efforts increase in a similar fashion. Increased cognitive effort leads to processing of more information and more effortful decision-making.

References
The Influence of Consumer Altruism on Complaining Behavior
Piotr Chelminski, Providence College, USA
Robin Coulter, University of Connecticut, USA

Extended Abstract

This paper examines the effects of consumer altruism on complaining behavior in the context of a dissatisfactory marketplace experience. Complaining behavior is conceptualized as consumer voicing directed at the company at fault and negative word-of-mouth communicated to others (Singh 1988). Altruism can be conceptualized as a constellation of actions performed by individuals to assist others that make people performing these acts feel good about themselves. Price, Feick, and Guskey (1995) introduced the concept of market helping behavior defined as “acts performed in the marketplace that benefit others in their purchases and consumption.” Although market helping behavior was studied in the context of consumers helping each other in shopping tasks and providing marketplace information, this construct also captures altruistic tendencies that might motivate dissatisfied consumers to warn others of negative experiences in the marketplace context. Past research has investigated a number of antecedents of complaining behavior including severity of dissatisfaction leading to complaining (Singh and Wilkes 1996), consumer self-confidence (Bearden and Teel 1980), a psychological need to vent dissatisfaction (Kowalski 1996) and culture (Huang 1994, Keng 1995).

Altruism has been examined in past research in the context of charitable donations (Strahilevitz 1997); however, research has not examined the potential influence that altruism may have on consumer complaining behaviors. The purpose of this study is to examine whether consumer altruism is indeed related to the likelihood for both consumer voicing and negative word-of-mouth. Importantly, research on complaining behavior has demonstrated the impact of the severity of consumer satisfaction. Specifically, Singh and Wilkes (1996) have shown that dissatisfaction intensity affects the consumer complaint response process: the greater the dissatisfaction the more likely the consumer is to engage in a complaint action. Bearden and Oliver (1985) provided evidence that a greater problem cost stimulates both voicing and negative word-of-mouth. Additionally, Richins (1983) has shown that severity of the problem experienced by consumers increases the likelihood of negative word-of-mouth. Thus, severity of dissatisfaction is included as a control variable in this study for both voicing and negative word-of-mouth.

A survey methodology with scenarios manipulating the severity of marketplace encounter failure was used in this study. A mailing of 321 questionnaires to a convenience sample of adult, non-student consumers (25-54 years old) recruited by college students resulted in 280 complete and valid responses (87 percent response rate). Respondents were asked to read a description of a dissatisfactory consumption experience and then indicate their likelihood to engage in voicing (i.e., complaining directly to the company at fault) and negative word-of-mouth (i.e., letting others know about the negative experience). The measure of voicing included two items (Pearson r=.78) and the construct of word-of-mouth included three items (Cronbach’s alpha=.88). Both measures of consumer complaining were derived from past literature (Day and Bodur 1978, Villarreal-Camacho 1983, Blodget and Tax 1993). Additionally, a five-item measure of consumer altruism, developed based on the market helping behavior measure (Price, Feick, and Guskey 1995), was included in the survey (Cronbach’s alpha=.85).

Two multiple regression equations were used to examine the relationships between consumer altruism, the severity of the dissatisfaction with the encounter and the dependent measures of voicing and negative word-of-mouth. The results indicate that consumer altruism is a statistically significant predictor for both voicing (Adjusted R²=.23, β=.223, t=4.24, p<.001) and negative word-of-mouth (Adjusted R²=.28, β=.266, t=5.24, p<.001), when controlling for the severity of the encounter failure (also a statistically significant predictor, β=.455, t=8.98, p<.001, β=.418, t=7.94, p<.001, accordingly).

These results have important implications for marketers and consumer protection agencies. Past research has indicated that, in general, the incidence of consumer voicing is low and this behavior needs to be facilitated (TARP 1986, Vavra 1992). Additionally, past studies have provided ample evidence that consumer voicing can be beneficial to companies in providing negative feedback quickly, improving consumer satisfaction, and preventing negative word-of-mouth among consumers (Fornell and Wernerfelt 1987, Tax et al. 1998, Nyer 2000).

The findings of this research imply that one of the important motivators for consumer complaining is an inclination of consumers to help others by warning them about dissatisfactory marketplace experiences and preventing them from experiencing such negative encounters. It appears that the greater the consumer altruism, the greater the likelihood for voicing the concerns to the company at fault and the greater the propensity to engage in negative word-of-mouth to others. Companies interested in facilitating consumer voicing to find about problems quickly so they can be addressed before a major fallout occurs could use altruism appeals to encourage consumers to voice their concerns by emphasizing the helpfulness of complaining not only for the company at fault but also for the welfare of the current and future consumers. Consumer protection agencies might also consider the use of altruistic appeals in soliciting information about shoddy practices in the marketplace.
The Impact of Culture Orientation on Consumption Impulsiveness and Beer Consumption

Yinlong Zhang, University of Texas at San Antonio, USA
L.J. Shrum, University of Texas at San Antonio, USA

EXTENDED ABSTRACT

Beer consumption is an extremely important consumer phenomenon. Given this importance, the lack of research examining the determinants of consumer beer consumption is striking. Further, research has never investigated the role of culture orientation in consumers’ beer consumption decision. In this paper, we propose that individualism versus collectivism culture orientation has a systematic impact on beer consumption and consumers’ self-construal and the consequent consumption impulsivity are two factors that systematically affect consumers’ likelihood of engaging in beer consumption.

Examining the role of self-construal in impulsive consumption decision like beer consumption is a unique contribution of our work. More generally, this research is important for four reasons. First, we fill a conceptual gap in the beer consumption literature by investigating the role of culture orientation. Second, we provide ways to reconcile the seemingly conflicting results in the literature. Our results provide a plausible conceptualization to reconcile the divergent results in the literature. Third, we provide both managerial and public policy implications. Through demonstrating the impact of culture orientation and self-construal on beer consumption, we provide a constructivist view on beer consumption, suggesting that beer consumption is a malleable process and there is ample room for policy makers to exert efforts. Fourth, we offer the first ever experimental evidence on the relationship between self-construal and consumption impulsiveness. Accordingly, we provide the complete causal knowledge among the constructs of culture orientation, self-construal, consumption impulsiveness and beer consumption.

Hypothesis Development

What determines consumers’ beer consumption tendency? As reviewed by Hirschman (1992), impulsiveness plays a large role in beer consumption tendency. Given this underlying process, our key argument is that a construct that can systematically affect consumers’ impulsive tendency should theoretically affect their beer consumption. We posit self-construal to be one such construct.

Self-construal has been defined as “the relationship between the self and others and, especially, the degree to which they [people] see themselves as separate from others or as connected with others” (Markus & Kitayama, 1991, p. 226). Two prominent dimensions of self-construal include the degree of independence and/or interdependence of a person.
Research also posits a relationship between self-construal and consumption impulsivity (Kacen & Lee, 2002). Specifically, when an independent self-construal is activated consumers tend to be impulsive. In contrast, when an interdependent self-construal is activated, consumers tend to be less impulsive.

If self-construal systematically affects beer consumption tendency, then consumers from collectivistic cultures should show less beer consumption tendency than those from individualistic cultures. Formally:

H1: Cultural orientation will influence consumers’ beer consumption tendency. Specifically, consumers with a collectivist orientation will tend to have lower beer consumption tendency than consumer with an individualistic orientation.

H2: Self-construal will influence consumers’ beer consumption tendency. Specifically, consumers with an interdependent self-construal will tend to have lower beer consumption tendency than consumers with an independent self-construal.

H3: Consumption impulsivity will mediate the effect of self-construal on beer consumption tendency.

Next we report results from three studies. Study 1 and 2 are designed to test hypothesis 1, while Study 3—building on Study 1 and 2—tests hypotheses 2 and 3.

Study 1a,b, & 2

Beer consumption per capita data of forty-two countries in 1999 were used to test hypothesis 1. The consumption per capita of liters serves as the measure of central tendency of each specific country’s beer consumption.

Country scores on culture orientation are taken from the Hofstede’s cultural analysis website (2005). Income data are from United Nation’s website.

Hypothesis 1. We ran a regression on per capita beer consumption level. Specifically, the effect of individualism versus collectivism was significant (r(1, 40)=3.29, p<.05). Thus, hypothesis 1 was confirmed.

Beer consumption tendency data of fifty states in 2002 were used to test hypothesis 1 in Study 2. State scores on culture orientation are taken from existing study (Vandello and Cohen, 1999). Hypothesis 1 was confirmed through this approach too.

Study 3

A total of 75 undergraduates from a large southwestern U.S. university participated for course credit. We used a 2 (Self-Construal: Interdependent vs. Independent) between-subjects design.

Participants were told that they were taking part in two different studies. The first study consisted of the priming material for activating the self-construal. This approach of priming self-construal was adapted from past studies (Mandel, 2003).

After this, participants were probed on their attitude toward drinking beer on question of “How do you feel about drinking beer at this moment?” They rated drinking beer on bad vs. good and dislike vs. like (r=0.92), with higher scores indicate more positive attitude.

Lastly participants were asked their thoughts on the study purpose and then debriefed. No one was correct in guessing the research purpose.

Hypothesis 2. To test hypothesis 2, we ran a regression on the beer consumption attitude scale. We coded the independent self-construal as 1 and interdependent self-construal as -1. Specifically, the effect of self-construal was significant (t (1, 73)=2.29, p<.05), indicating that independent tends to hold more positive attitude toward drinking beer than those with interdependent. Thus, hypothesis 2 was supported.

Hypothesis 3. We ran a set of regression analyses based on Baron and Kenny’s (1986) suggestions for testing for mediation. We found that consumption impulsivity mediated the effect of self-construal on the beer consumption tendency. These results fully support hypothesis 3.

General Discussion

Our results are consistent with the existing literature on self-construal and impulsiveness. For example, Kacen & Lee (2002) found that consumers with independent self-construals tend to be more impulsive than those consumers with interdependent self-construals. We extend this literature in a number of ways. We provided a stronger test of this connection by manipulating self-construal rather than measuring self-construal only. In addition, we extended the causal linkage between self-construal and consumption impulsiveness to the domain of beer consumption.

References


Stinkin’ Inconvenience!
How Consumers Experience and Respond to Disgust
Selin Atalay, The Pennsylvania State University, USA
Melea Press, The Pennsylvania State University, USA

Abstract
We explore how consumers deal with feelings of disgust in consumption situations. We look at the common elicitors of disgust, and discover two categories not previously documented in the literature: (1) ignorance, and (2) things that did not work out as planned, desired, or imagined. In Study 2 we use scenarios to look at responses to disgust in consumption situations, and in Study 3 we manipulate scenarios to see if reported responses in study 2 are how people actually behave.

Introduction
What disgusts consumers? How do consumers respond to their feelings of disgust? Disgust can be elicited in response to physical objects, and to social violations (Haidt 1997; Rozin et al. 2000). Several researchers take the view that the disgust emotion grew with human evolution, from a way to guard the human body from bacteria and illness (Haidt 1997; Rozin et al. 2000), to an emotion that helps humans know how to behave in society (Haidt 1997). In other words the emotion disgust serves an important function in society.

Disgust, as it is researched now, is divided into two major categories, core disgust and socio-moral disgust. Core disgust elicitors include food, animals, body bi-products, sexual deviance, poor hygiene, and contact with death (Haidt 1997). Socio-moral disgust is elicited by contact with evil, or objects that are associated with evil or dirt (i.e., a shirt worn by an evil person). According to Haidt et al (1997), the following are often categorized as disgusting: “racism, brutality, hypocrisy, political attitudes, and violations of important social relationships.”

Linked to social wellbeing and social interests, disgust is considered a moral emotion (Rozin et al. 2000). It motivates people to act in a particular ways, and to avoid certain actions.

Disgust has been identified as an emotion with relevant implications for advertising (Batra and Holbrook 1990; Holbrook and Batra 1987). Thus, it is curious that more research on the relationship between disgust and consumer behavior has not been conducted. In the current study we are interested in how consumers deal with feelings of disgust that arise in consumption situations, and how feelings of disgust influence future perceptions, behaviors, and intentions in similar situations.

Study 1
Methodology. We gave questionnaires to 108 undergraduate students at a northeastern university. Because disgust is a little-studied topic in the marketing literature, our first goal was to verify the meanings of disgust that have been found in the psychology literature. We asked participants to define disgust, to give examples of times when they felt disgusted, or experienced disgust, and to describe what they did in these situations.

Results. Our participants’ definitions of disgust overlapped with previous definitions of core and socio-moral disgust. When asked to list what disgusted them, core and social disgust elicitors were equally prevalent. 91.7% and 90.7% respectively.

In line with existing disgust research, our respondents indicated that disgust, or a disgusting object or situation made them angry (20.4%), annoyed them (22.2%), and upset them (22.2%).

Taking existing research further our study revealed that the objects and situations that cause disgust, as well as emotions facilitated by disgust have broadened. The participants included two categories of disgust not previously documented in the literature. These two categories are (1) ignorance, and (2) inconvenience, things that did not work out as planned, desired, or imagined. 19.4% of our respondents stated that they are disgusted by situations that are inconvenient to them (i.e. waiting in a line; going to an early morning class; walking in the cold, etc.), and that these situations are disappointing (23.1%) and frustrating (10.2%).

According to Nabi (2002) there is a difference between the theoretical definition of disgust, which refers to core disgust, and the common use of the word, which takes on a broader meaning including irritation, annoyance, or anger. It is our observation that the experience of disgust has gone beyond physical or social survival situations, to include perceptions of inconvenience, and interruptions to individual comfort. Perhaps this is a by-product of today’s high-technology and web-based world, in which individuals are increasingly isolated.

Based on this observation, we see a need to look more closely at a definition for disgust in the consumption context. Our first goal is to create a current definition of disgust, and to describe its elicitors and how people respond to it. We propose that in addition to current definitions of disgust, feelings of disgust are also felt any time an individual’s personal space and “ways-of-being” are invaded.

Proposed Studies
Consumer responses to feelings of disgust in consumption situations are not well understood. According to past research, and verified by our participants, disgust yields a passive response.

We are curious about how individuals respond to disgust in consumption situations, where the consumer has more control. Do disgusted consumers try to escape situations, or do they take corrective action? Does the response vary by the nature of the disgust elicitor? Do customers try to avoid socio-morally disgusting situations (i.e. avoid a store in which employees are not treated fairly) and inconveniences while taking action to have a core disgust elicitor fixed (i.e. have the dirty table top at a restaurant cleaned)? We propose two additional studies to investigate these questions.

Study 2
In Study 2 participants will read scenarios about situations that evoke either socio-moral or core disgust. Participants will complete a questionnaire about each situation to indicate the emotions they would feel in each situation, and how they believe they would respond.
In this study our goal is to clarify how different situations that elicit disgust are emotionally experienced by individuals. We aim to test the disgust elicitors that we uncovered in study 1 and verify that the elicitors of disgust have broadened. We are currently pre-testing our scenarios.

Study 3

Study 3 will manipulate similar scenarios to those used in Study 2 in a lab, to see if the reported responses in study 2 are in fact how people behave in the actual situation. The purpose of this study is to understand the passive nature of the responses to feelings of disgust.

Conclusion

Disgust is a core emotion that has known importance in marketing, but has not received much attention in the literature. With known effects on perceptions of advertisements, we believe that feelings of disgust also affect individuals in consumption situations. Disgust is an important, but understudied emotion in consumer behavior research. We hope to shed light on how this emotion functions in consumption situations. How often are you disgusted, and what do you do when you’re a disgusted consumer?

References


How and When Alphanumeric and Suggestive Brand Names Affect Consumer Preferences

Kunter Gunasti, Penn State University, USA
William T. Ross Jr., Penn State University, USA

Abstract

Firms often use alphanumeric and suggestive brand names to influence consumers’ preferences, yet how these influences occur has received limited attention. In two experiments, authors show that alphanumeric and suggestive brands can both mislead or guide consumer choices. Brand name effects on choice are moderated by information availability and need for cognition. Suggestive brands cue the attribute levels consumers ascribe to brands with missing information. Consumers use alphanumeric brands heuristically; higher numbers are perceived as associated with better products. High need for cognition consumers are less affected by misleading brands and attend more to guiding brands.

“Alphanumeric brand names include referential or nonsense mixtures of letters and digits, mixtures of words and digits, or any of the preceding where the figure is written out in word form.” (Pavia and Costa 1993, pg. 85). There are millions of registered and unregistered alphanumeric trademarks in use (USPTO 2006). For some brands it is fairly simple to draw inferences about the product. For instance, BMW 3.25 refers to a 2.5 liter engine volume for 3 series and you can easily tell that 3.30 is a relatively better product due to its larger engine (3.0 liters). Correspondingly, Audi A8 and A6 indicate larger size and higher luxury level than A4 and A3. However, it is not always so easy to understand brand names. Mercedes has over ten letter classes resulting in a rather complicated set of some forty alphanumeric brand names and not many people can tell the difference among C, S or M class cars. Contrary to intuition, Nokia 6110 is inferior to Nokia 6102 and the average consumer has no idea what 6110 refers to.

Alignable difference is a piece of information for a choice option that has correspondence for other options (Markman and Medin 1995). It is usually weighted more heavily and is more likely to be used for justification of decisions. Alignable attributes tend to be comparable and quantitative (Nowlis and Simonson 1997). Most brand names do not fall into this category due to their qualitative nature. However, alphanumeric brand names may be considered as alignable, semi-quantitative and comparable due to their numerical features and their tendency to follow sequences. Consumers believe that number portions of alphanumeric brands have something to do with measurement of features or signify the product’s relative placement in a sequence of products. Therefore, they favor large numbers inferring greater sophistication from them and believing that a product with a large model number in sequence is more recent (Pavia and Costa 1993). However, alphanumeric brands may have no meaning or they may be referring to internal design codes assigned at the discretion of the marketers (Boyd 1985). Depending on the branding strategy, alphanumeric brands may both guide or mislead consumer choices.

Another common type of brand name is suggestive brand names, which convey relevant attribute or benefit information in a particular product context (Keller et al. 1998). Suggestive brands are commonly meaningful words related in some way to product attributes or the problem to be solved (e.g. EverReady or DieHard batteries) (Folkes 2003). Various studies have shown that consumers make inferences
about product attributes using these brands (Peterson and Ross 1972). Firms may also assign suggestive brand names contradicting with their products or referring to an irrelevant attribute. If the suggested product benefit is difficult to observe before product trial, the negative effect on brand image will be delayed until after product experience (e.g. HeavyDuty brand aluminum foil tearing easily during use). In summary, we observe that suggestive brand names may help customers focus on various product attributes and help them make more accurate choices; they may also misdirect consumers to choose inferior products based on fanciful brand names.

In two experiments, we show that on average consumers picked the alphanumeric brands with larger numeric portions whether or not they were the best options. Therefore, alphanumeric brands guided (misdirected) choices when the number portions of brands were (not) actually related to product attributes or product advancements. On the other hand, suggestive brands guided (misdirected) choices when they referred to superior (irrelevant or essentially inferior) product attributes. In general, missing attribute information increased the effects of brand name on choice.

Need for cognition moderated the effects of these brand names. When a suggestive brand was misleading, it was incongruent with the general perception of the product or with the attribute it was suggesting (e.g. an AbsoluteNoFee calling card with a high fee). High NFCs were more likely note the discrepancy whereas NFCs were more likely to get misdirected. For guiding suggestive brands, attribute information was congruent with the suggestions, and high NFCs were more likely to scrutinize this match and make more accurate choices. Alphanumeric brands equally guided and misled subjects with both high and low need for cognition. Low NFCs used the the higher the better heuristic, whereas high NFCs processed all the information and formed illusory correlations among alphanumeric brands and product attributes.

This research is an important attempt to discover the important effects of brand names on consumer choices. Despite their domination in technical product categories, alphanumeric brands have been largely neglected in past studies. Exploring the guidance roles and manipulative powers of brands will help us understand the underlying mechanism of consumer choices and especially inference making under incomplete information. With the increasing importance of technology nowadays, numerous electronics products are purchased over the internet by viewing product-attribute matrices on portals or e-merchants’ websites that seldom have complete information (see Kivetz and Simonson 2000). The systematic effects of brand names on choice indicate potential problems for consumers and opportunities for marketers to manipulate choice sets.

References

Choice With Inference is Different from Choice without Inference
Kunter Gunasti, Penn State University, USA
William T. Ross Jr., Penn State University, USA

Abstract
Some researchers argued that consumers rarely form inferences. Others proposed ways for inference formation using: within-brand attribute information; other brands in the choice set (across-brand information); or average values. The authors found that choices made with and without inferences were significantly different from each other. Making inferences reduced choice difficulty and indecisiveness (choosing none of the options) and increased the attractiveness of chosen options. Contrary to the averaging hypothesis, inferences were different from mean attribute values. Supporting across-brand processing, inferences made for different attributes of multiple brands were significantly correlated. Need for cognition played a moderating role in inference making.

Products and services are seldom described completely, therefore, consumers often need to form inferences that go beyond the information given (Kardes et al 2004). Some researchers argued that consumers rarely form inferences (Simmons and Lynch 1991). Others found that inferences for non-visible attributes occur on the basis of available attributes or via various rules of thumb (e.g. adding or averaging). Most found that inferred value of a missing value is often discounted (Huber & McCann 1982; Ford & Smith, 1987; Johnson & Levin, 1985). A comparative judgment context increases the salience of the missing information resulting in more spontaneous inference formation (Sanbonmatsu et al., 1997). In a recent study of choice under incomplete information, subjects faced with binary choice task with missing information reported making spontaneous inferences. Kivetz and Simonson (2000) argued that consumers might treat
missing values in a way that supports their preferences or tentative hypotheses. Following the motivated reasoning and motivated inference theories (Kunda 1990; and Pyszczynski & Greenberg 1987), authors explained that people who are motivated to arrive at a conclusion construct a justification, a rationale for it and they search for evidence to support it.

Linear aggregation models (Fiedler 1966) predict illusory correlation as an inferential bias that arises even in the absence of motivational or memory-based mechanisms (Kardes et al. 2004). Correlation-based inferences for missing attribute information may be highly based on known information about other attributes of the focal brand (known as same-brand, within-brand or attribute-based processing—e.g. Ford & Smith, 1987; Johnson & Levin, 1985); on other brands in the product category or choice set (known as other-brand, across-brand or alternative-based processing—e.g. Huber & McCann, 1982; Ross & Creyer, 1992) or on both (e.g. Lee and Olshavsky 1997). We propose that when consumers are explicitly asked to make inferences, they will engage in a different process and their choices will be affected by the values they infer. Choices made after inferences will be different compared to choices made without inferences.

In study 1, missing attribute information and inference making were manipulated. The choice sets consisted of product-attribute matrices for three product/service categories. A different attribute was missing for each of the three options in all product categories. Participants were randomly assigned to two conditions. Those in the No Inference condition were simply asked to make choices, whereas the ones in the Inference condition were asked to make inferences for missing attribute values before making choices. Results indicated that making inferences changed the nature of decisions. Choices made after inferences were significantly different from choices made without inferences. Assigning different values to missing attributes significantly decreased perceived choice difficulty and increased attractiveness of chosen options. In addition, inferences made across brands for different attributes were significantly correlated with each other. This finding was in support of the alternative-based correlation inducement (also known across-brand or other-brand processing) earlier proposed by Huber & McCann (1982) and Ross & Creyer (1992).

In study 2, an identical design was used with one exception. Besides the three options in each choice set, a “no choice option” was added, such that participants also had the alternative of not choosing any of the options as in real purchase situations. In addition to the replication of results from study 1, analysis showed that making inferences significantly decreased the selection of the “no choice option” (indecisiveness) as well as reducing perceived difficulty and risks of decisions. This effect was prevalent for all product categories.

It has been shown that at least a moderate level of cognition is typically required for correlation-based inference formation (Lee & Olshavsky, 1997) and when cognitive resources are required, spontaneous inference formation is more likely, if the motivation and the ability to deliberate are high (Kardes et al. 2004). Another important finding was that inferences were significantly moderated by need for cognition (NFC). High NFCs made more conservative assumptions regardless of product or attribute types.

While some researchers have argued that consumers do not make inferences, there have been numerous attempts to explain the underlying mechanism and heuristics for making inferences. Past studies have forced participants to make inferences about single attributes for one of the options in the choice set. Our research expanded these by including different missing attributes for multiple options; exploring the effects of multiple inferences; increasing the realism by including a no choice option; and demonstrating the differences in choices made with and without inferences.

References
Mental Visual Imagery, Authenticity and Consumers’ Attitude Formation towards Licensed Brands

Jen-Yuan Martin Liu, University of Warwick, UK
Qing Wang, University of Warwick, UK

EXTENDED ABSTRACT

Licensing is no longer viewed merely as technology transfer or modes of entry. Firms are now licensing assets in forms of brands, designs, trademarks and etc. Many researchers (e.g. Holt 2002; Kozinets 2002; Thompson et al. 2006) have noted that such commercialization undermines the value of the brands. However some examples suggest differently. Haier, China’s largest home electronics manufacturer began its ascent by licensing refrigerator technology and the brand from German Liebherr Corp. in 1985 with the original brand name of “Liebherr”. Sanyo Fashion House Inc., a subsidiary of Sanyo Shokai in Japan, is licensed to manufacture and distribute “blue label” Burberry products in Japan since 1980. Despite their licensee image, they have both generated strong domestic sales and built strong and positive awareness internationally.

In this paper, we ask the question “when and how licensed brands achieve the same or even higher value than original brands?” and we reason that consumers’ assessment of authenticity may hold the key to this question. Most researchers agree that authenticity is not an attribute inherent in an object and is better understood and assessed by a particular evaluator in its particular context (Grayson and Martinec 2004). However, little research has studied the antecedents and consequences of authenticity. This is particularly relevant in brand licensing, as the cues for communicating authenticity of a licensed brand will help consumers’ assessment of the value of the licensed brand, and these cues may or may not be related to the attributes of the original brands. Thus this research proposes that there exist multiple dimensions of authenticity as perceived by consumers in the context of brand licensing.

Next, we examine literature in mental visual imagery as one of the mental processes that consumers use to make sense of cues (Richardson, 1999). Assessment of authenticity involves a complex perceptual process (Belk and Costa 1998; Pen’aloza 2001). A person construes the cues via the formation of mental visual image before further deriving his/her perception about the authenticity of a licensed brand. Finally, we examine consumers’ attitude formation toward the licensed brands as consequences of their perception of authenticity.

Indexical and Iconic Authenticity

Grayson and Martinec (2004) identified two dimensions of authenticity based on the semiotic model developed by Peirce (1998): the indexical authenticity and iconic authenticity. Indexical authenticity refers to the physical or psychological link which distinguishes the “real thing” from its copies (Grayson and Shulman 2000). Iconic authenticity refers to the preexisting knowledge or expectations which a person perceives something being similar to something else (Grayson and Martinec 2004). In order for the licensed brand to be perceived as authentic, the cues for communicating authenticity are crucial, and this process of understanding and specifying these cues is called the negotiation of meaning (Grayson and Martinec, 2004).

Mental Visual Imagery

Past research (e.g. Adeyemo, 1990; Dahl and Chattopadhyay, 1999; MacInnis and Price, 1987) has shown that mental visual imagery is one of the mental processes which one uses to make sense of cues. Mental imagery is a form of internal representation in which information about the appearance of physical objects, events and scenes can be depicted and manipulated (Richardson 1999, P. 3). Research in marketing has distinguished different types of visual mental imagery: the image based on memory (Dahl and Chattopadhyay, 1999; MacInnis and Price 1987). These authors define memory image as the event or occasion that a person has personally experienced or observed whereas imagination imagery is a new, never-before-experienced event.

The Link between Authenticity and Mental Visual Imagery

Peirce (1998) explains that to view something as an icon, one usually creates a “composite photograph” (Grayson and Martinec 2004). For instance, to view something as iconically authentic, a perceiver must have some preexisting knowledge or expectations of something being similar to something else. Thus, memory imagery can be interpreted as the cue which links consumers preexisting knowledge toward the perception of iconic authenticity about the licensed brand. For example, when consumers encounter a licensed brand, they form image (i.e. original brand) from memory based on their existing knowledge or previous experience of the brand. Iconic authenticity may be achieved when cues are congruent with their memory. Therefore:

H1: Consumers’ memory imagery is positively correlated with perceived iconic authenticity.

Imagination imagery involves the creation of previously unseen image and the capacity of imagination imagery determines one’s ability to negotiate meaning out of novel information (Adeyemo 1990). To view something as an index, a perceiver must believe it actually has the “factual” and “spatio-temporal link” that is claimed (Grayson and Shulman 2000). Imagination imagery can be interpreted as acceptance of marketing communications from the licensee toward the perception of indexical authenticity by consumers. Therefore:

H2: Consumers’ imagination imagery is positively correlated with perceived indexical authenticity.

H3: The more the licensed brand is perceived with iconic cues, the more licensed brand will be perceived as authentic.

H4: The more the licensed brand is perceived with indexical cues, the more licensed brand will be perceived as authentic.
Although both iconic and indexical cues are likely to encourage consumers to believe that a licensed brand is authentic, iconic cues are likely to be more powerful because consumers possess some preexisting knowledge about the licensed brand or perceive similarities with something they are familiar with. Therefore:

**H5**: Iconic authenticity has greater influence than indexical authenticity for consumers’ assessment of authenticity.

Finally we examine whether assessment of authenticity will in turn influence consumers’ attitude toward the licensed brand. Attitude towards a brand can be defined as consumer’s overall brand evaluation (Aaker and Keller, 1990). Cognition is part of the belief formation and the salience of beliefs in term form attitude (Ajzen, 2002). Assessment of authenticity is one type of cognitive associations assisting consumers to negotiate the meaning of brand licensing. Therefore:

**H6**: Perceived authenticity is positively correlated with consumers’ attitude formation toward licensed brands.

### Methods and Measures

There are three stages of data collection in this research: exploratory focus group studies, controlled experiments and survey. The focus group studies were completed. The purpose of the focus group studies is twofold. Firstly, we hoped to gain deeper understanding about how consumers perceive the connections among our three focal concepts and to develop a set of hypotheses. Secondly, it would help with the development of relevant measures to be used in the controlled experiments.

**Exploratory Focus Group studies**

The focus group interviews were carried out to ensure that the dimensionality of the concepts can be discovered as exhaustive as possible. Three focus group interviews were designed and conducted based on the guideline from Krueger (1994) and Yin (1984). Twenty-six informants (20 to 35 years of age) were recruited from both undergraduate and postgraduate students in a west midland university in the United Kingdom. Each focus group lasted around 60 minutes. The informants, 51% of which are female, have Chinese origin. These informants were recruited for the consistency with second stage of data collection in China.

The focus group results were content analyzed according to the guideline of Yin (1984). The preliminary results are the following:

(a) 22 of our informants pointed out that brand licensing activities were well covered in the Chinese media and were aware of the amount of brand licensing activities in the Chinese market.

(b) 20 of them stressed that authenticity was an important issue when facing licensed brands.

(c) 21 informants agreed that when facing licensed brand, they drew inferences from both their past experiences (memory) and their assessment based on the actual licensed brand product they encountered (imagination).

(d) Based on their past experience with the original brand, majority our informants indicated that quality, country of origin, and trademark were first to come through their mind.

(e) The novelty of the licensed product, level of involvement of the brand owner, and the distribution channel of the product helped with their assessment of authenticity of the licensed brand.

The focus group results showed that, firstly, the distinction between the use of memory and imagination imagery is important to assess authenticity of licensed brands. Secondly, there exist different antecedents for the two dimensions of authenticity. Two 7-point authenticity measures were developed based on focus group findings:

(a) Indexical authenticity in brand licensing: novelty, level of involvement of the brand owner, and perception about distribution.

(b) Iconic authenticity in brand licensing: quality, country of origin, and trademark.

### Control Experiments

To examine the use of different imagery types upon the perceptions of authenticity (H1 and H2), the two experimental factors (memory and imagination imagery) will be manipulated in a between subjects design. One hundred and fifty students participated in the study are to be Chinese –origin from an UK university. Chinese market is chosen because of its market size and rapid growth in licensing activities (LIMA 2005).

The independent Variables will be the visual mental imagery types which will be manipulated by instructing participants to rely on images based on either memory or imagination during the experiments. Experimental design will consist of a 2 (imagery type) x 2 (authenticity type) + 1 control mixed model. Imagery types are between-subjects variables, with subjects exposed to a set of either memory or imagination stimuli. In the memory imagery condition, participants will be given a booklet containing a brief description of memory imagery and information regarding the fictitious brand. Participants will be asked to “dig” into their memory and visualize similar brand and product in their daily life when filing out questionnaire on the perception of authenticity. In the imagination imagery condition, participants will be given a booklet containing a brief description of imagination imagery and the same information as in the memory condition regarding the fictitious brand. Participants will be asked to visualize the fictitious brand based on the information provided in the booklet when filing out questionnaire on the perception of authenticity. The measurements for manipulation check will be adopted from Dahl and Chattopadhyay’s (1999) 7-point scale. Two 7-point authenticity measures were developed based on focus group findings:

(a) Indexical authenticity in brand licensing: novelty, level of involvement of the brand owner, and perception about distribution.

(b) Iconic authenticity in brand licensing: quality, country of origin, and trademark.

The survey variable is attitude toward the licensed brand. To measure attitude toward licensed brand, we will adopt Kind and Smith’s (2001) 7-point semantic differential scale.

### Survey

To examine the effect of perceived authenticity on consumers’ attitude formation (H3, H4, H5, and H6), a set of questionnaire will be administrated on-line. Real licensed brands instead of fictitious brands will be employed as subject of study. The original brands will
be selected based on Aaker and Keller’s (1990) criteria for parent brand selection. Brands will be selected of being relevant to the subjects, generally perceived as high quality, able to elicit relatively specific associations. Specifically, the chosen brands should have not been largely licensed yet, so that it can avoid the impact of over-licensed situations (i.e. noise generated by multiple licensees). Also, the product category should be new for a given brand. A total of four brands from the same product category (to control for the effect of product heterogeneity on the results) will be selected and each of the two brands maintaining distinct indexical or iconic elements. The questionnaire will contain measures of perceived authenticity developed in control experimental study. To measure attitude toward licensed brand, we adopt the scale recommended by Kind and Smith (2001). All measurement items in this research will be using a 7-point semantic differential scale.

Concluding Remarks

This research intends to make three related contributions. Firstly, we attempt to develop measures for authenticity in brand licensing. Secondly, we will empirically test whether mental visual imagery influence consumers’ perception of authenticity. Thirdly, we are to test which types of authenticity determines consumers’ attitude formation of licensed brands.

Reference


Ambivalence as an Inoculating Agent: A Built-In Defense Against Attitude Change

Mark Forehand, University of Washington, USA
Mark Staton, University of Washington, USA
Brian Tietje, California State University–San Luis Obispo, USA

Overview

The researchers conducted a multi-phase experiment to analyze the effect of initial attitude ambivalence on subsequent attitude change. Regression analyses revealed that subjects were less likely to change their attitude after reading new counter-attitudinal information when their initial attitudes were characterized by high levels of ambivalence (β=−.154; p<.05) indicating the presence of inoculation. These results suggest that ambivalence does not always lead to attitude change, and ambivalent consumer attitudes are actually more resistant to new, potentially biasing information.

Conceptual Background

An ambivalent attitude is an attitude fed by competing inputs that influence overall evaluation in opposite directions. Previous research on attitude ambivalence suggests that it is an aversive condition that people attempt to ameliorate (Lavine, Thomsen, Zanna and Borgida 1998, Nordgren, van Harreveld and van der Pligt 2006) and that it has a negative effect on customer satisfaction (Olsen, Wilcox and Olsson 2005). Indeed, most research on ambivalence has studied the effects of attitudinal ambivalence toward ego-involving socio-political issues, situations in which ambivalence is often aversive (Harreveld and van der Pligt 2006; Hass, Katz, Rizzo, Bailey and Moore 1992). However, in consumer contexts, it is not clear that ambivalence necessarily produces an aversive state. For example, people may possess positive beliefs about Gucci products, negative beliefs about Gucci users, and both positive and negative overall beliefs about the Gucci brand. Although this creates ambivalence about Gucci, many consumers will not have enough of a personal stake in Gucci for this ambivalence to produce cognitive discomfort. We argue that when ambivalence is not aversive, it may actually inoculate a person from change, by providing the consumer with enough data, positive or negative, to refute any presentation of counter-attitudinal information (McGuire, 1961).

One can characterize ambivalence as a self-generated two-sided argument, similar to the research on “inoculation” developed by McGuire (1961, 1985 and Watts and McGuire 1964). In an inoculation procedure, relatively weak content that refutes a held argument is presented and this causes the recipient to strengthen defensive arguments supporting his or her previous attitude. In turn, these new defensive arguments bolster the attitude against subsequent refutational content that is stronger than the initial material. This basic inoculation effect has been demonstrated in response to comparative advertising, especially when the subject is highly involved in the decision process (Pfau, Parrott and Lindquist 1992.) Previous research suggests that a two-sided argument is more likely to trigger the defenses of the recipient than a one-sided message (Hass and Linder 1972; Kamins and Asseal 1987; Burgoon and Pfau 1995). Instead of presenting an ambivalent argument, our subjects will be working with a pre-existing ambivalent attitude and we anticipate that this will work as a similar defense to attitude change.

Method

Participants evaluated six real brands in a multi-phase experiment. In the initial phase, brand attitude ambivalence was assessed and initial brand attitude was collected. Attitude ambivalence was collected using a Griffin measure and brand attitude was collected with an 11-point scale ranging from −5 to +5. In the final phase, participants read scenarios that presented new negative information about three of the brands and new positive information about the other three brands. The order of the scenarios, the valence of the scenarios and the order of the brands were fully counterbalanced.

After reading the scenario for each brand, participants responded to five measures, influence of the scenario, attitude change, purchase intention change, attitude toward the brand and purchase intentions.

Analysis and Results

Separate analyses were conducted for observations in which scenario information was consistent or inconsistent with the initial brand evaluation on the 11-point scale (−5 to +5). Scores from −5 to −1 were coded as negative, 1 to 5 were positive, and scores of zero (222 cases) were not used in the analysis.

To test the effect of inconsistent information on brand attitudes, regression analysis was used, with the influence of the scenario as the dependent variable. In addition to ambivalence, independent variables included dummy variables for the type of scenario and brand, individual difference measures including need for cognition, advertising skepticism, and need for attitude consistency.

When exposed to counter-attitudinal information, participants reported less attitude change when their initial attitude was characterized by greater levels of ambivalence (β=−.154, p-value=.013). This finding stands in contrast to prior research that has argued that an increase in the level of ambivalence would lead to a greater change in attitude.

Discussion

Ambivalence is a common occurrence among consumers. Often the best product experiences are attenuated by some flaw. This research suggests that we, as consumer, have accepted ambivalence and do not allow it to sway our opinions in a more univalent direction. By already possessing counter-factual knowledge, ambivalence creates an inoculation against any new information. Further research could review the effect of visceral brand identification (Apple Computers, Harley-Davidson) on consumer ambivalence.

References


Sacred Songs, Secular Words: Discourse on the Consumption of Religious Music
Jeaney Yip, University of Sydney, Australia

Extended Abstract
The long withstanding debates between sacred and profane have been documented (Belk, Wallendorf and Sherry 1989; O’Guinn and Belk 1989; Arnold and Price 2004), although the sacred in consumer research has been predominantly studied as a metaphoric stance rather than specifically about the ‘Sacred’ per se (Iacobucci 2001). Secularisation theory argues for the decline in sacredness and religion amidst the backdrop of modernity and progress (Martin 2005), while attributing its replacement with secular, material and spiritual pursuits. This theory neither concurs with the continued popularity of Pentecostal (Charismatic) churches (Anderson 2004), nor the growth of Contemporary Christian Music (CCM, Powell 2002). In an attempt to study the inter-relationships between sacred (expressed through religious music) and secular (expressed through consumer culture), a discourse analysis into Christian music is conducted in this research.

Music, like advertisement, is a cultural text which is an important medium in reading the audience (O’Donohoe 2000). Through the language of songs, music like an advertisement text informs and expresses meanings that are not only in alignment with the targeted audience but the socio-historic conditions of a society. As a religious product, it is a site where ideology circulates as well as a mirror to represent the sacred which is highly visible, audible, saleable and malleable to socio-cultural forces. Music style is never neutral, but is organically wed to the socio-cultural setting in which the music is created and developed (Romanowski 1992) to convey certain meanings to a particular audience.

Studies that relate music and discourse include a reading of Madonna, by Bradby (1992) where her songs, music video clips and news about her as reported in the media, were analysed. Through the song ‘Material Girl’, discourses of materialism and maternalism, were expressed as advancement in female liberation. Liederman (2004) in a study of ‘The Free Monks’, a Greek rock band of black-robed Orthodox monks and ordained priests was analysed against the backdrop of the social, cultural and political role of the Orthodox Church in Greece. The ‘singers’ perform in an MTV-style video, singing modern rock music accompanied by live concerts and initial albums that reached gold and platinum status in sales in Greek pop charts. This phenomenon of ‘sacred songs with a secular beat’ can be seen as one example of a mutation that has occurred in the Christian discourse as a result of alignment with changes in the macro-societal shifts, but more is needed to understand the intricacies of this alignment in another setting.

A cross section of Pentecostal and Anglican songs dating from 1990–2005 was selected, including traditional hymns. I used close reading (Scott 1994; Stern 1989) to study the lyrics and explored the meaning expressed through the language of songs. Music as an expression of worship has a visual representation in the way it is played, performed and consumed. This produces an assortment of representations and discourses which requires a marriage of visual, audio, and textual data. The visual materials included pictures of the music performance, the congregation, the architectural space, images of the people (audience, song performers, and church leaders), pictures of artefacts produced by the church, and video recordings of services and music events.

Discourse analysis of the data suggests four dominant themes or discourses: ‘Empowerment’, ‘Tradition’, ‘Today’ and ‘Individuation’. There is a theme of the empowered self in the Pentecostal songs as the ‘I’ is empowered to ‘change the world today’, to ‘move mountains’, and to believe that ‘life could be all that you want it to be’. Both the ‘can be’ and ‘can do’ attitude is an attractive appeal that aligns not only with the so-called ‘Prosperity Gospel’ Pentecostal churches tend to preach, but blurs with new age spirituality that focuses on potential of the ‘self’ (Rindfleish 2005). Empowerment is also expressed in the form of blessings, favour, miracles and an answer to dreams.
The discourse on tradition is apparent in Anglican songs and hymns. Expressed in the form of worship, reverence to God, collective nature of the church family, humility, obedience, reference to sin and heaven provide the language in constructing what appears to be a traditional Christian discourse on the sacred. This is in contrast to the ‘Today’ discourse which construct sacred meanings to a present day context framed in a ‘here and now’ (as opposed to heaven/after life/eternal) timeframe situating the blessings, dreams coming true, favour and miracles to happen today. This suggests a reconciling of sacred constructions with the secular existence of people in the current world. There is no focus on ‘suffering’ in the present and reaping joy in the future but it’s about harvesting and living to the full now. The sacred gets expressed to a ‘present help in my time of need’ which clearly is situated in the secular.

The ‘individuation’ discourse express the self (I, me, my) in the songs, especially prominent in Pentecostal songs. Moreover, these words outnumbered those that feature God (Lord, God, Jesus, Father). The word ‘you’ was evident, although it is not always directed to God but the audience. This different feature of the pronoun ‘you’ to refer to the one who is being addressed illustrate a language that is couched in a personal relationship as opposed to ‘thou’ in a traditional hymn. This difference illuminates interesting points of departures between Pentecostal songs and hymns. The intimacy of ‘you and I’ introduces a spirit of closeness, warmth, and approached that is more couched in newer forms of spirituality rather than religion. Also, this is interesting to have emerged out of this genre of music as typically hymns are about God, while this is directed to God or the audience. The notion of ownership (‘my God’, ‘my Saviour’) is also evident.

Whilst sacred discourses to do with Christianity are apparent, this is mixed with other secular discourses in the case of contemporary Pentecostal songs. If music is a mirror to meaning and audience values, self-empowerment and individuation of religion framed in the context of ‘today’ are discourses that reflect the shift in socio-cultural conditions of a modern society. This can be aligned to Inglehart’s (1997) post-materialist values which highlight self expression and self empowerment as prevalent in highly developed societies where existential security already exists. Because physical security is already adequate in highly developed societies, the discourse on the sacred appears to play a more self-serving role framed in current consumer culture. Whilst secularisation theory postis a decline in religion at the macro level, the popularity of a certain ‘version’ of religious form and products suggest at the meso level a resurgence of ‘sacred interest’. It appears that a process of appropriation (Thompson and Haytko 1997; Cova and Cova 2000) has taken place whereby religious music is able to align itself to changing socio-cultural shifts to incorporate both sacred and secular discourses into its contents and meaning. This appears to be the version that resonates with current religious consumers. Through analysing the genre, lyrics and aesthetic appeal of a religious song, layers of meaning are evident.

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References
An Examination of Recall Measures of Sponsorship Awareness

Michael S. Humphreys, University of Queensland, Australia
T. Bettina Cornwell, University of Queensland, Australia
Clinton S. Weeks, University of Queensland, Australia
Anna R. McAlister, University of Queensland, Australia

Extended Abstract
With growth in sponsorship-linked marketing expenditure continuing to increase each year (IEG 2003), consumers are exposed to an ever larger number of brand names in association with various events. In many cases there may be a number of brands linked with a single event, and in some cases several of these brands may be from a single brand category. In addition, many brands may be linked with multiple events. What must be considered when seeking to measure sponsorship awareness in these situations is how the method of measurement may influence results, particularly with regard to the direction of cueing in cued recall.

Due to the nature of memory associations, the associative strength from a brand to an event may not always be the same as the associative strength from an event to a brand. To illustrate, consider a situation where a brand such as Gatorade sponsors an event like the International Relay Run. Asking which brand is the sponsor of the International Relay Run as opposed to which event did Gatorade sponsor may not produce the same proportion of correct responses. This may particularly be the case when a similar competitor brand (e.g., Powerade) is also salient in the mind of the consumer, and when the event name is given as the recall cue. Not all awareness measures provide consistent access to memory, and deciding which measure to use may depend largely on the situation, and what information is sought by the researcher.

Tripodi et al. (2003) have suggested that variation in memory prompts can affect sponsorship awareness responses. Using a telephone survey they reported that the sequence in which memory prompts (event name, brand name, category label) are given to respondents can affect overall awareness measurements. Specifically, in their study respondents prompted with the event name had the highest level of initial recall, but the lowest overall recall after follow-up prompts (including a recognition-type prompt).

In four experiments we examined the nature of recall in measuring sponsorship awareness. We varied recall methods by cueing with the event name, the brand name, the brand category, and we also considered responses using a free recall method. Participants received exposure to sponsorship stimuli using Johar and Pham’s (1999) press release paradigm, where brands were real and events were fictitious. All press releases involved congruent sponsor-event relationships and all contained a statement articulating the sponsor’s reason for undertaking the sponsorship. Additionally, as a within subjects variable, half of the press release statements mentioned a competitor within the same brand category while half made no such mention. Participants in each experiment were presented with 12 press releases and completed a 10 minute distracter puzzle before beginning the memory task.

Results showed recall differences depending on the cue utilized. In the first experiment, when cueing with the event name, results showed that recall of the sponsoring brand was similar both when a competitor was mentioned in the press release and when no competitor was mentioned (Ms=.708 and .767 respectively). Overall recall here was 73.8%. In the second experiment however, when cueing with the brand category, recall of the sponsoring brand was adversely impacted by the presence of a competitor. Here there was a marginally significant difference between the competitor present and competitor absent conditions, F (1, 19)=4.061, p=.058 (Ms=.775 and .850 respectively), with overall brand recall at 81.25%.

In the third experiment which used brand cues, we provided participants with either the sponsor or competitor name and examined event recall responses. This was done for both competitor present and competitor absent conditions. Here, as might be expected, there was a main effect of cue, F (1, 39)=72.335, p<.001, such that sponsor cues (M=.538) were more effective in eliciting the event name than were the competitor cues (M=.146). There was no overall main effect of competitor presence, but there was a significant interaction between cue and competitor presence, F (1, 39)=5.906, p=.020. Marginal means indicated that event recall was lower in the competitor present condition than in the competitor absent condition for the sponsor cue (Ms=.483 and .591 respectively), but event recall was higher in the competitor present condition than the competitor absent condition for the competitor cue (Ms=.183 and .108 respectively). This indicates that interference occurred in the competitor present condition using the sponsor cue, and that cueing with a mentioned competitor can elicit event recall. Interestingly, this result also shows that even if no competitor is mentioned, cueing with a market rival of the sponsor can nonetheless elicit memory for the event.

In contrast to the cued recall experiments, in the fourth experiment where free recall was used, a greater number of events were recalled from the competitor present as opposed to the competitor absent condition, F (1, 19)=5.431, p=.031 (Ms=.650 and .508 respectively). Similarly, a marginally greater number of sponsors were recalled from the competitor present as opposed to the competitor absent condition, F (1, 19)=4.108, p=.057 (Ms=.700 and .567 respectively). There was no significant difference between the level of recall of events as opposed to the level of recall of sponsors (Ms=.579 and .633 respectively).

With sponsorship-linked marketing expenditure rising each year, it is becoming increasingly important to have a clear understanding of whether the techniques used to measure sponsorship effectiveness are appropriate. For those interested in measuring sponsorship awareness effects, what this study shows is that knowing a brand name can prompt memory for an event, and knowing that an event name can prompt memory for a brand, are not necessarily the same thing. In attempting to assess sponsorship awareness, researchers must first consider the nature of what they want to know in order to be able to ask the right question.

References
Developing a Deeper Understanding of Scarcity: Contextual and Individual Influences on Demand Scarcity

Morgan K. Ward, University of Texas, USA

Abstract
In this paper, we investigate mechanisms associated with scarcity resulting from public demand not met by supply: demand scarcity. We examine individual and contextual influences on demand scarcity. In four studies we find: 1) Consumers use visual scarcity cues to infer information about products; 2) Consumers’ dependence on demand scarcity as a heuristic is particularly effective in low-involvement choices; 3) “Need for uniqueness” independently influences subjects’ use of scarcity information and their choices about scarce products, and 4) The effect of uniqueness decreases as the ubiquity of demand scarce products is made salient.

Aristotle summarized the underpinnings of scarcity when he stated, “What is rare is a greater good than what is plentiful.” This phrase captures the fundamental elements of commodity theory (Brock 1968) and expresses the robust effect that scarcity has on human behavior. Marketers, having reached the same conclusion (albeit more recently), leverage consumers’ desire for scarce products by implying that access to them is limited. Implications of scarcity embedded in advertising language like “time’s running out,” “limited edition,” or “while supplies last” impel consumer action.

Though well-known and intuitive, scarcity is not a simple construct; research in consumer behavior has highlighted a variety of psychological mechanisms that give rise to scarcity effects (see Lynn 1992). A few examples include reactance, whereby people resist restrictions on their choice (Brehm 1966), social proof (coined “bandwagon reasoning”) in which consumers rely on others’ opinions as a cue for the value of a product or service (Worschel, 1975), and uniqueness, the innate human drive to attain social status by possessing a largely unavailable resource (Veblen 1904).

Though the literature effectively demonstrates types of scarcity and underlying mechanisms, to date there is no overall framework that discusses which mechanisms correlate to specific scarcity appeals. We are initiating the formulation of such a framework with such questions as: What are the relative effects of reactance and uniqueness for time scarcity appeals (e.g., “time’s running out”)? And, to what extent, if any, does social proof influence supply-generated scarcity (e.g., “limited edition”)? In this paper, we focus our attention on mechanisms associated with scarcity resulting from public demand not met by supply: demand scarcity.

While it has been assumed that people typically use scarcity information as a heuristic cue for value, recent research challenges that assumption (Brannon and Brock 2001). We contend that consumers do use demand scarcity information as a heuristic. We further argue that a social-proof mechanism drives the effect of demand-scarce information, and test Worschel et al. (1975) “bandwagon reasoning” which predicts that scarcity resulting from public demand informs the value of the product. In other words, consumers use relative demand to assess a product’s worth by inferring that fellow consumers’ demand implies value.

We also examine how presumptions of uniqueness influence the effects of demand scarcity. Consumer need for uniqueness is defined as “an individual’s pursuit of ‘different-ness’ relative to others…achieved through the acquisition, utilization, and disposition of consumer goods for the purpose of developing and enhancing one’s personal and social identity” (Tian et al. 2001). Since demand-scarce products endow their possessor with uniqueness, we hypothesize that consumers who desire such personal uniqueness will be more likely to desire products that are highly desired by others (and thus scarce). However, the reality of scarcity is realistically moderated by how much of the product already has been sold in the marketplace. When a product already is owned by many others, those concerned with uniqueness should no longer desire it.

Our initial study establishes that people use visual scarcity cues to infer information about products. We presented participants with a hypothetical shopping scenario in which they were asked to choose between two clocks. One clock (the target) was pictured as either scarce or abundant. The comparison clock was always pictured as abundant. We crossed scarcity with the manner of display. In display conditions, clocks were arranged like a typical display of merchandise; in inventory, clocks were arranged like “backstock” (i.e. inventory a store holds of a product). We found that scarce clocks were preferred to abundant clocks, but only when clocks were shown as “inventory”. We surmised that participants were using inventory information coupled with scarcity as a cue for public demand.

Study 2 supports the idea that people use scarcity information as a heuristic. We used the “scarce inventory” condition from Study 1 and gave participants either information that the clock was selling quickly (demand manipulation) or no information (control). We crossed the manipulation of information with level of involvement, where participants were either highly involved in the choice (they could receive the clock as a prize) or less involved (the choice was hypothetical). We found participants who were highly involved in the choice use demand information significantly less than those who were less involved. In short, we show that consumers’ dependence on scarcity as a heuristic is particularly effective in low-involvement choices.

In Study 3 we test how a need for uniqueness influences preferences for scarce items. We primed participants with either uniqueness-related or conformity-related information. Then we showed participants the “scarce inventory” condition from Study 2, again mentioning that the clocks were selling quickly, and asked respondents which clock they preferred. We found the uniqueness prime increased preferences for a demand-scarce clock. The results indicate that consumers predisposed to maintain their sense of uniqueness were more susceptible to social proof cues.

Finally, in Study 4 we tested the prediction that the influence of uniqueness found in Study 3 could be attenuated with the ubiquity of product ownership. We replicated Study 3’s effect of uniqueness on the (demand) condition which stated that the clocks were selling quickly. We also added a condition that told participants that the clocks were selling quickly and many have already been sold (demand ubiquity condition). Our results indicated that the preference for the demand-scarce clock was diminished when the clock had already been sold to many others. Similarly, participants primed with conformity showed an increase in their preference for the clock that was owned by many.

We present contextual and individual factors that contribute to consumers’ responses to demand scarcity cues. The results corroborate the notion that consumers use visual scarcity to infer product worth and by extension choose scarce products. Moreover, consumers
motivated to maintain their uniqueness are more susceptible to social proof cues. Finally, the results confirm that demand scarcity is moderated (for participants who are motivated to maintain uniqueness) by whether subjects have information confirming that the product is scarce because many have units already been sold thus implying the ubiquity of the product.

How Consumers Are Affected by the Framing of Numerical Information

Jessica Y. Y. Kwong, The Chinese University of Hong Kong, Hong Kong SAR
Kin Fai Ellick Wong, Hong Kong University of Science and Technology, Hong Kong SAR

Studies on consumer judgments have demonstrated that consumers may consider two options with different attribute levels (e.g., apartments that are 20 minutes versus 15 minutes away from campus) to be vastly different or vastly similar depending on contexts. In particular, research has thus far shown that contextual factors such as the range of the attribute levels (e.g., Gravetter & Lockhead, 1973; Janiszewski & Lichtenstein, 1999; Mellers & Cooke, 1994; Yeung & Soman, 2005), the frequency of the attribute levels (e.g., Niedrich, Sharma, & Wedell, 2001; Parducci, 1965), and their relative spacing (e.g., Cooke & Mellers, 1998; Mellers & Birnbaum, 1982; Wedell, 1994) can influence our perceptions. While these studies noted how the comparisons of two options are altered by changing their peripheral context—that is, what other options are presented in addition to the two target alternatives for comparison—few have attempted to address how our perceptions are shaped by the focal context—that is, the presentation of the two target alternatives themselves.

We proposed that for attribute dimensions that can be described in two equivalent frames (e.g., printing reliability vs. failure rate), the different attribute values associated with each frame (e.g., 97% reliability vs. 3% failure rate) can affect how we compare two options. Our hypothesis is that the presentation format of attribute information can affect the perceived difference between two options. That is, the perceived difference is amplified when the attribute is described in a large ratio frame than when it is described in a small ratio frame.

Two experiments were designed to test our hypothesis. In the experiments, the undergraduate students participated on a voluntary basis and were randomly assigned to one of the two presentation formats (small vs. large ratio). They were given a scenario that described two options differing on two attributes with a trade-off. The scenarios were essentially identical between the two conditions, except that the label and the numerical values of one of the attributes changed according to the presentation manipulations. After reviewing the information, the participants reported their evaluations of each option on each attribute dimension and their preferences for the two options.

In Experiment 1, we showed that when a pair of options are presented in a frame with attribute values in large ratio (e.g., printer A has a failure rate of 3% vs. printer B has a failure rate of 9%), consumers report greater differences in their attribute judgments than when the same pair of options are cast in a frame with attribute values in small ratio (e.g., printer A has printing reliability of 97% vs. printer B has printing reliability of 91%). Moreover, we also found that the preference between two options with trade-offs is altered by the ways the attribute information are presented. Generally speaking, we found that an option is more likely to be chosen when its superior attribute is presented in a large ratio format than when it is presented in a small ratio format.

In Experiment 2, we ruled out an alternative explanation of negativity bias. That is, the effects of presentation format on attribute perceptions are replicated even when positive attribute label is paired with large ratio frame and negative attribute label is paired with small ratio frame. Therefore, our findings cannot be explained by the valence of the attribute label.

In sum, we demonstrated that the same pair of options may appear similar or different depending on how their attribute information is presented. This contextual effect differs from others in that it does not require alternation in the options involved in the evaluation environment.

Contribution of the Concept of Identity to the Understanding of Responsible Consumer Behavior: Application to the Consumption of Fair Trade Products

Nile Ozcaglar-Toulouse, Universite de Lille 2-France

The responsible consumption is not easy to understand: it is a complex phenomenon and characterized by a large diversity of practices (Shaw, 2000; Newholm, 1999). Thus, I find it necessary to propose my own definition of responsible consumption as being ‘the set of voluntary acts, situated in the sphere of consumption, achieved from the awareness of consequences judged as negatives of consumption on the outside world to oneself, these consequences raising therefore not from the functionality of the purchases nor from immediate personal interest’ (Ozcaglar-Toulouse, 2005). The originality of responsible consumption as a research area, besides being various and sometimes surprising, is that it assigns to the consumption a significance that passes the only utilitarian aspects of the purchase. Yet, little research has been given in depth to understand the meaning consumers who declare themselves to be ‘responsible’ give to their consumption (Cherrier, 2005; Connolly and Prothero, 2003; Moisander and Pesonen, 2002).

Fair trade consumption can provide a rich analysis land. According to Foucauldian approach, fair trade products purchase associated with a political project (changing the current economic system) is a ‘politics of self’ (Foucault, 1978, 1980). It becomes therefore a way to affirm one’s own ideas and engagements but also a means to re-construct one’s identity. Instead of postulating a ‘fair trade purchase’ based on self-expression, the responsible consumption may be viewed as an existential choice. Focusing on the purchase of fair trade products as an illustration, this research studies how current social and environmental concerns about consumption are reviving the topic of meaning in consumption practices, through their contribution to identity construction processes among consumers who declare themselves to be responsible.

The notion of identity is considered in this research broader than the classic features used in traditional studies of segmentation—gender, age, social category, incomes...; it allows to touch the way the consumer interprets himself/herself and on the role that his/her
ethical consumption plays (or his/her/ voluntary no consumption). For a good part of two decades, the term of ‘identity’ has occupied a fundamental place in the social sciences and humanities. Its uses-in vogue-also refer to the actual feeling for numerous people to find it difficult to carry through their own identity research, as suggested by the literature on the ‘post-modern individual’. The Modernity used to possess the capacity ‘to evacuate’ easily some individuals’ anguish-exit of the micro and macro social-risks-and to assure the continuity of a philosophy turned to the future (Giddens, 1990). But the present context is characterized by the end of the ‘meta-narrations’ and by a process of ‘individualization of the social risks’ (Beck, 1986). Generally called a ‘crisis of meanings’, this phenomenon is felt by some individuals as the necessity of a sense research and it seems to encourage the emergency of new behaviors in everyday life, such as responsible consumption.

An interpretative research method and a hermeneutic approach have been chosen in this research. The generation of data from a qualitative approach is based on the propensity of people to talk about their social experiences in their daily lives and the significance of their consumption. Consumers are not used in general to wonder about the meaning of consumption or the existing links between their acts of purchase and their life trajectory. It seems necessary to ‘provoke’ consumers to make an in-depth look at their consumption story. Such a way of gathering information is known as the method of ‘narratives’.

Fourteen narratives of highly practicing responsible consumers, based on individual interviews, have been then studied using a semantic analysis. The individual and comparative results enable us to enter into the details of the meanings these consumers grant to their consumption and the way the concept of identity can be helpful. A responsible consumption typology, based on the meanings given by the narrators to their acts of purchase, is suggested; it distinguishes the acts of ‘moral conformity’ from the deep critical postures, the latter of which derive either from political intention or from a wish to get free from the actual consumption ‘system’. Moreover, a set of common features has been observed among the ‘critical consumers’ interviewed. Three of them have already been identified by Cherrier (2005): the quest for ‘authenticity’, the ‘social integration’ and the ‘control’; they are confirmed and deepened here. Two other features appear: the ‘suffering’ (related to the upstream feelings of the consumer) and the ‘compromise’ (related to his practices downstream).

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It Doesn’t Happen to Mine: A Study of the My-Own-Product Positivity Bias for a Defective Product Management
Jae Il Kim, Seoul National University, Korea
Hak Chul Lee, Seoul National University, Korea

Abstract
This paper suggests that self-positivity bias also can occur at product-level and explores how the bias will be reduced. As a follow up study of previous research on self-positivity bias, this study assumes that consumers perceive those products they possess to be better than those possessed by others or than other same product. Also we demonstrated that this bias which highly cost both consumers and companies is moderated by familiarity with a product. Two experiments were employed to demonstrate the bias and to find the effective moderators which increase my-own-product risk perception. Future study and its applications are discussed.

According to previous studies, people are often poor estimators of risk(Slovic, Fishhoff and Lichtenstein 1981) and tend to believe that negative events are less likely to happen to themselves than to other people(Perloff and Fetzer, 1986; Weinstein, 1980). The self-positivity bias which results from “unrealistic optimism”(Weinstein, 1980) was well documented in many areas including car accident and various health problems like AIDS, heart attack, cancer, etc(e.g. Raghubir and Menon, 1998; Perloff and Fetzer, 1986; Kemeny and Hamm, 1991).

At the one end of the continuum, this bias often misleads consumers into nonoptimal decisions like ignoring a likelihood of defective in a product or neglecting a recall alarm which often results from disregarding little notices or policies. For example, consumers believe
that their new notebook has no bad pixel, or their chances of defective sheet of paper in a new textbook are lower than those of others. These phenomena can be widely observed from trivial goods to costly service such as lasik or plastic surgery.

However this bias causes many problems for both companies and consumers. Despite companies’ efforts to make consumers’ attention to possible risks associated with the products, consumers seldom think a problem ever happens to themselves. Because of this bias, the cost which both consumers and companies should pay increases. Consumers may have to visit a store again. Or they may face a fatal accident without replacing a defective product with new one (e.g. ignoring expiration date in daily products). Automakers may lose their chance of early recall and even face a fatal lawsuit together with bad brand image.

As a follow up study of previous research on self-positivity bias, this study assumes that consumers perceive those products they possesses to be better than those possessed by others, and other same products. They think that the chance of negative outcome associated with their possessions will be less likely than that associated with products owned by others.

Because self-positivity bias originated from the wrong perception of self-risk, we can seemingly assume that this kind of bias will be related to products we have. In addition previous studies on the cause of self-positivity bias show that the bias also occurs in case of products. That is, the product-level bias can also make people deny possible risk (Raghuir and Menon, 1998), reduce anxiety associated with uncertainty of outcome (Taylor and Brown, 1988) and make self-esteem maintenance (Weinstein, 1980). Moreover many studies of both psychological and qualitative studies in consumer behavior indicated that much of our psychological mechanism has carryover to our product by possession. McClelland (1951) suggested that external object become viewed as part of self when we are able to control over them. And Belk (1988) argued that possessions give us magical psychological identification. With Weinstein’s view, self-concept theory and identity theory can also be applied to our hypothesis that the more people own familiarity with self-allied product, the more they may have a psychological bias associated with their products. Therefore we can also hypothesize that the more familiar or self-closer product which satisfies higher self-esteem maintenance has more bias similar to ours. If consumers consider their own product is more familiar, they believe their possessions will not be associated with negative events.

Experiments were employed to demonstrate the bias and to find the effective moderators of this increasing my-own-product risk perception. In the first experiment which was disguised as a blinded test, we used 3(target owner)∗3(products by familiarity rating) design to test that people judge (a) their possessions as being at lower risk than other’s and (b) possessions they consider to be more familiar to them to be at lower risk than those less familiar to them. Our new familiarity rating was designed by scales used in previous studies of familiarity scale, self score and intimacy scale, including expected use time and perceived closeness, etc. After offering a newspaper article of a rare but critical error about a product, we gave them a sample and asked them to write down the chance of error of their own. Other groups were offered the same article but asked to write down the chance of error before getting product.

The results of this study indicated that people who had his own product estimate the chance of defectives to be lower than those who didn’t. A product highly scored in familiarity rating was perceived to have lower risk. These results supported our hypothesis that consumers project some biases to their owned product.

The subsequent experiment in progress focuses on how to develop an effective “notice” for reducing the product positivity bias. In a pilot study using a new textbook (“Consumer Behavior”) in our class, we found that noticing a negative event which occurred to a similar group member reduced the bias and eventually increase risk-perception.

From the view of Lin and his colleagues (2003), perceived controllability will be considered to be designed. By showing the notice which says that the end of refund period is coming soon, controllability condition will be manipulated. The effects of some moderators, framing message cue (Chandran and Menon, 2004), information accessibility (Raghuir and Menon, 1998) -will be examined in the experiments.

This paper suggests that self-positivity bias can also occur in case of products and explores how the bias will be reduced. Future study will focus on what and how biases of consumer are carried over to product and its effective method to reduce it.

References

Consumers Tripping Over Their Roots
Dale Russell, INSEAD, France

“I really did the tour as a ‘roots’ exercise and to fit many parts of the jigsaw puzzle that is my heritage, the considerable reading and conceptual development of a lifetime of being New Zealand / British in outlook, and to enjoy the ‘green, green grass of my ancestral home’ so to speak.” (Male, 60, New Zealand)

The growth in global tourism is fueled in part by retirees, primarily from developed countries, born immediately following World War II and now entering retirement age. The premise of this research is that these consumers are using their savings to not only explore...
the world, but also to seek a sense of self by returning to the lands of their ancestors, a phenomenon we call ancestral tourism. Where hedonic tourism has been deemed a “nonrational” expenditure as it provides only pleasure to the tourist, ancestral tourism can provide a sense of self by glimpsing at one’s ancestral past (MacCannell 2002, 150).

This research documents the phenomenon of ancestral tourism using a multi-method approach and tests a conceptual model that integrates the extant research on aging, the consumption of authenticity and satisfaction. As consumers grow older, they become reflective on life and develop a need of personal fulfillment that cannot be satisfied by tangible goods. Older consumers often enter a phase whereby they look to dispose of their possessions, which have both sentimental and monetary value, while seeking satisfaction from intangibles (Price, Arnould and Curasi 2000), a process likely to be reflected in the consumption of ancestral touristic experiences. Previous research has attributed a consumer’s search for authenticity as a trek for fulfillment, comparable to that of a religious pilgrim seeking enlightenment (Goulding 2000). This is even more salient for cultural tourists, especially those from western cultures, whose desire to partake in authentic cultural experiences is often the primary objective of their trip (Grayson and Martinec 2004; MacCannell 2002; 1999).

The research was conducted in the context of a 25-day guided bus tour of the United Kingdom (UK) and Ireland; a tour selected because nearly all customers who bought this package in the past were of British or Irish descent and generally resided in former colonies. Therefore, this group of consumers would most likely seek ancestral cultural experiences. The methodological approach was threefold, comprising interviews, observations, and surveys. The triangulation of data served as a validity check while also adding a better understanding to the social behaviors and meanings invoked from the experience (Grayson and Martinec 2005; Hammersley and Atkinson 1995; Arnould and Wallendorf 1994). In an effort to better observe the tour phenomenon, the author actively partook in the tour and optional excursions. The researcher’s direct participation in the tour allowed for better understanding and appreciation of the ancestral tourism phenomenon, as well as detailed observations (Belk, Wallendorf and Sherry 1989).

The tour was designed to expose participants to as much of the UK and Ireland as possible in a short period of time. It was led by a professional tour guide with nearly 20 years of experience. The group consisted of 39 people (18 males / 21 females, mean age of 59), all of them from former British colonies, namely Australia, Canada, New Zealand and the US. The interviews were conducted individually, at the onset of the tour. Exploratory in nature, they sought information regarding the pre-trip planning process, tour expectations, and general background and demographic data. The contents of interviews were then assessed to identify themes to develop a survey instrument. Participant observation was conducted throughout the tour with the researcher maintaining an unobtrusive profile as not to detract from the natural tour experience or bias later survey responses and to maintain the ability to observe from the distance (Palmer 2001; Arnould and Wallendorf 1994). The researcher was able to take detailed notes and pictures of events without drawing attention as such activities are normal for tourists. The survey was administered on the final day of the tour to all participants. The constructs captured the themes identified during the interviews and items to measure them were intermixed. The constructs in the model included: pre-trip expectations, perception of tour as ancestral pilgrimage, perception of tour experience as authentic, cultural experience satisfaction, overall tour satisfaction and likelihood to recommend tour. The last series of questions captured the number of optional tours, the number of souvenirs bought for oneself and the number of those bought for someone else. Finally, demographic information was collected, including age, gender, country-of-origin, country-of-residence, and whether the ancestors emanated from the UK or Ireland.

The survey data along with the qualitative interviews and observations provided rich insights into the phenomenon of ancestral tourism. All participants whose ancestors hailed from the UK or Ireland reported that they considered the trip as a pilgrimage, as the opening quote illustrates. Correlational analysis supported the relationships proposed in the conceptual model. For instance, age was significantly and positively related to the overall number of tours options purchased but negatively related to the number of souvenirs purchased for oneself while positively related to the number of souvenirs purchased for other people. Many participants’ comments reflected a detachment from material possessions at the approach of death, some with a humorous view, others with a more pragmatic one. In turn, the consumption of intangible experiences, such as the optional tours, positively affected perceptions of authenticity and, in turn, overall cultural satisfaction. Among the most important findings was the crucial role that perceptions of authenticity and cultural experiences play in assessing the value of the ancestral tourism experience. Albeit limited by the relatively small size of the group studied, this research provides insights into consumers in search of authentic ancestral experiences.

References
Affect Without Cognition
Jingjing Ma, Peking University, China
Li Zhang, Peking University, China
Xinxin Ma, Central University for Nationalities, China

EXTENDED ABSTRACT

Do you find young fellows emotional? Do you think that their decisions are often whimsical? Have you noticed that they often buy brands and products that they have no idea of? Then why do they buy? These are the questions regarding brand attitude formation mechanism that is universally accepted as a concept model: cognition-affect-conation. This study tests the model using Chinese young consumers as a sample.

Hypotheses

One question this study seeks to answer is whether brand personality identification, as an affective factor, significantly influences brand buying intention, a conation factor. Nowadays Chinese young generation’s value system has changed dramatically. Traditional Chinese notions, such as “Restraint and Obedience” and “Connotation and Introversion” have been replaced by “Do what you like” and “Show your own personality”. As a result, the consumption notion of Chinese young generation has also changed. Young consumers pay much attention to products that can show their own personality and demonstrate their own life styles. Then our first hypothesis is: For Chinese young consumers, brand personality identification significantly influences their brand buying intention.

The second question this study seeks to answer is whether Chinese young consumers’ buying intention of foreign brands is influenced by brand personality cognition. Since late 1970’s, Chinese have more contacts with the west and therefore known more about western world. Chinese young generation has grown up with western products and values. As frequently pointed out by both media and academia, foreign brand personality cognition significantly influences Chinese consumers’ brand buying intention. Therefore our second hypothesis is: Chinese young consumers’ cognition of foreign brands personality significantly influences their foreign brand buying intention.

Method

Thirty college students enrolled in a well-known university located in Beijing were randomly chosen as participants. In-depth interviews were conducted before a questionnaire was developed. The purpose of the interviews was to identify a pair of brands that could best reflect American culture and Chinese culture respectively. Questions were asked for each of the interviewees: 1) Which American drink/restaurant/apparel brand do you think that can best reflect American culture? 2) Which Chinese drink/restaurant/apparel brand do you think that can best reflect Chinese culture? Results showed that Coca Cola (90% responses) and Xihulonjing tea (70% responses) were thought to best reflect the two distinct cultures by the interviewees. Thus Coca Cola and Xihulonjing tea were finalized as the stimulators for the following survey.

A draft questionnaire was developed based on the interviews and relevant literatures. A pilot test was conducted to check the wording and time span for filling up the draft questionnaire. A questionnaire was then finalized. It comprises measurements of brand personality cognitive strength, brand personality distinctiveness and brand personality identification of both Coca Cola and Xihulonjing tea (independent variables), and measurements of buying intention of both Coca Cola and Xihulonjing tea (dependent variables).

Questionnaire survey was conducted in six major universities located in Beijing. A total of 1,000 questionnaires were distributed and 932 usable ones were returned, with a response rate of 93.2%?

Results

Our first hypothesis is supported. The regression results show that brand personality identification significantly influences buying intention of both Coca Cola and Xihulonjing tea. Young consumers would like to buy the brands that can reflect their personality. This result is consistent with many psychology and marketing theories and research findings. Meanwhile it reveals that popular values of Chinese young generation such as showing their own personality, having their own life styles and expressing themselves influence their buying intention significantly.

Our second hypothesis is rejected. Results show that brand personality cognitive strength and brand personality distinctiveness, as cognitive variables, do not have significant influence on buying intention of foreign brand Coca Cola. It is generally accepted by the academia that cognition is the premise of affect and cognition and affect influence conation. However, buying intention of Coca Cola is only influenced by the affective factor, brand personality identification, not by cognitive factors. Here affect functions independent of cognition. On the contrary, buying intention of Xihulonjing tea is significantly influenced by both cognitive and affective factors, fitting the cognition-affect-conation model perfectly.

Discussion

This research comes up with two very interesting findings: brand buying intention of Chinese young consumers is significantly influenced by their brand personality identification, no matter whether the brand is foreign or domestic. However their brand buying intention is significantly influenced by their cognition of the domestic brand but not the foreign brand. The findings suggest that for Chinese young consumers, the impacts of brand cognition and affect on buying intention may vary between domestic and foreign brands. In the discussion section we will explore the underlying reasons of these findings and the conditions under which they happen. We will also discuss theoretical and managerial implications of this research for consumer behavior and marketing strategies.

References


Compulsive Buying Questionnaire and Repression: The Impact of Hot vs Cold Data on General and Gender Scoring

Fabric Pombet, University of Exeter, UK
Stephen K. Tagg, University of Strathclyde, UK

Mall intercept has been conjectured to be more precise and reliable than other methodologies such as phone surveys (Bush and Hair, 1985) in that less questions were eluded in the former, and the latter was usually yielding more “socially acceptable” answers. This could be caused by a memory priming effect (Bower, 1981) when respondents are answering in a “cold” situation (e.g. inside their homes) rather than in a “hot” situation. In other words, their cognitions could be affected by their affect at the moment when they are filling the questionnaire.

Despite a relatively important number of studies related to the measurement of Compulsive buying, the use of questionnaires through mail surveys seems to have exclusively prevailed over the use of mall intercept procedures (e.g. Faber and O’Guinn, 1992; Valence et al., 1988), and most of these studies found a significant difference in self-reported compulsive score between males and females respondents.

In a small recent study involving 49 participants in a mall intercept, self-assessing their compulsivity by answering a Lejoyeux questionnaire (Lejoyeux et al., 1996; Lejoyeux et al., 1997), we were however unable to find any significant difference in genders, even though some other elements of reliability and nomological validity with the hedonic/utilitarian value in shopping (Babbin et al, 1993) were congruent with previous studies.

We thought that the main difference between our study and the previous studies on compulsive buying was the methodology (a mall intercept vs mail survey) could explain the lack of significant difference between genders in respect of their scores.

We therefore undertook an exploratory meta-analysis with 4 previous studies using the same Lejoyeux questionnaire (Lejoyeux et al, 1996; Lejoyeux et al., 1997) with different methodologies (2 studies in a mall intercept condition, and 2 studies in a “cold” condition, where the interviewing process was done in the respondents’ home), totalling 490 respondents (290 in “hot” condition, and 200 in “cold” condition; 218 male respondents, and 272 female respondents).

The studies included the 20 items likert scales of the Lejoyeux test of compulsive shopping and the shopping value questionnaire (Babbin et al, 1993) was included in order to test the nomological validity of the test (Peter, 1981). The internal reliability for both of the questionnaires was very good overall, and consistent with previous literature findings (r(Lejoyeux)=0.78; r(hedonic)=0.93). Nomological validity was achieved, consistent with previous literature findings (Faber and O’Guinn, 1992) through an established correlation between hedonic value in shopping and the compulsive score (r=0.364; p<0.01).

Although we found a significant effect of gender over the variance of the compulsive score (F(1,438)=31.486; p<0.0001; males=3.1; females=4.5), showing that female respondents tend to score higher than males overall in these 4 experiments, we also found a significant effect, at the highest level, of the “heat” condition (F(1,438)=18.56; p<0.0001; hot=3.3; cold=4.3), showing that the overall levels of compulsivity are slightly higher in “cold” condition than in a “hot” one; it can also be noticed that the interaction of gender and heat is also significant (F(1, 438)=4.312; p<0.05; male-hot=2.8, male-cold=3.4, female-hot=3.7, female-cold=5.3), showing a possible effect of affect priming in female respondents.

It should be noted that the hedonic score stemming from the shopping value questionnaire are showing a small evolution that is consistent with respect to genders (F(1,486)=64.28; p<0.0001, male=2.57; female=3.33) and reverse with respect to the heat of the test (F(1, 486)=11; p<0.0025; hot=3.13; cold=2.79).

It is interesting to note that, contrary to what Bush and Hair’s (1985) findings could hint at, we do not find a higher mean score of compulsivity in the mall intercept procedure than in the “cold” procedure, but rather the contrary (albeit the overall difference is fairly small).

It is however interesting to note that females seem to be much more sensitive to the change of methodology than men, whose variation does not seem to change much. We can therefore suspect that this variation could indicate the process by which one tends to get a higher difference in compulsive scores between genders in mall intercepts. It could be possible that the females experience a better mood during shopping than at home, thus inducing an affect priming phenomenon that leads them to appraise differently the consequences of their shopping when they have been shopping and when they are in a different condition. Conversely, men could just appraise their shopping experience less emotionally, therefore leading to a more “consistent” evaluation between a “hot” and “cold” condition.

This meta-analysis should however be viewed as an exploratory study, where the results are subject to confirmation in a further study that can truly compare the two conditions in strictly similar methodological settings. We feel however that the results contained herein may foster some reflections on the overall validity of mail surveys with respect to mall intercept, as far as compulsive buying is concerned.

A second potential implication of this study is that there may be more explanations to the difference in results between mall intercept methodologies and “cold” surveys than just more involved and expert shoppers in the former methodology.

References
CAM: A Spreading Activation Network Model of Subcategory Construction

Zsolt Katona, INSEAD, France
Joseph Lajos, INSEAD, France
Amitava Chattopadhyay, INSEAD, Singapore
Miklos Sarvary, INSEAD, France

Extended Abstract

Considerable research has demonstrated that people create mental categories to process and access the information that they receive (Barsalou 1992), and that these mental categories may be arranged in hierarchical structures (Collins and Loftus 1975). People add new categories, or subcategories, to these structures when they encounter novel objects or experiences, such as new products, that do not fit within existing categories (Sujan 1985; Sujan and Bettman 1989). An underlying assumption of previous studies is that the general category within which people will locate a novel entity, and hence a new subcategory created for it, is known. However, some entities, such as innovative new products, could be assigned to multiple categories (Keller, Sternthal, and Tybout 2002; Moreau, Markman, and Lehmann 2001). It is here that managers and marketers could benefit from a deeper understanding of how mental categorization works.

In this paper, we develop a spreading activation model of the process by which individuals construct new mental categories. In an experiment and an empirical study, we show that the Category Activation Model (CAM) reliably predicts where individuals will locate a new subcategory within an existing category structure.

The ways in which consumers categorize products have important implications for firms. For example, previous research has shown that the category to which consumers assign a new product can affect the inferences that they draw about it (Moreau, Markman, and Lehmann 2001), their evaluation of and willingness to pay for it (Sujan 1985), and their likelihood of retrieving it in memory-based choice (Nedungadi 1990; Nedungadi, Chattopadhyay, and Muthukrishnan 2001). Thus, being able to predict and influence how consumers construct and locate subcategories for entire classes of products, especially radically innovative new products, could benefit firms substantially. For example, when Motorola introduced the Envoy, the first personal digital assistant, consumers had to create a new mental subcategory because, although the Envoy shared many features with existing portable computers, pagers, and organizers, it was distinctly different from products in these categories (Keller, Sternthal, and Tybout 2002). Knowing where consumers were most likely to locate the new personal digital assistant subcategory could have helped Motorola design and market the Envoy to better satisfy their expectations.

Whereas previous research has examined how people access information in hierarchical category structures and the general rules that govern how these category structures grow and develop (Freyd 1983; Murphy and Medin 1985; Rosch 1978), the ways in which people construct individual new categories have not yet been investigated. We develop the CAM to predict where people are most likely to locate a new subcategory within an existing category structure.

We build on previous research that shows that priming a category increases its accessibility and subsequent use (Herr 1989; Higgins and King 1981). Consistent with this research, we assume that when a category is accessed some of the resulting activation remains with the category and the rest spreads through the entire network, or category tree. Further, we assume that when a category is more activated, the probability that a new subcategory will be constructed under it is increased. Combining these two assumptions, it follows that by accurately describing the process by which activation spreads through the network, we are able to predict the probability that a new subcategory will be constructed at any given location within it. In the paper, we show that these probabilities depend on the network’s link structure, which determines how activation spreads. Specifically, the CAM predicts that the locus of a new subcategory is strongly influenced by the number of subcategories already connected to each category within the existing structure.

We tested the CAM’s predictive ability in an experiment involving an innovative new exercise product that shares attributes with existing products in the health and entertainment categories. In the experiment, we first familiarized 91 participants with a category structure for health and entertainment products. Then we presented them with a description of the new product, and gave them the opportunity to create a new subcategory for it under either the health or entertainment category. We manipulated the number of subcategories already existing under these categories, and also manipulated the priming of these categories using an unrelated proof-reading task. The results support our hypothesis that the probability that a person will construct a new category as a subordinate of a particular category is proportional to the relative number of categories that are already subordinate to it. Furthermore, the results suggest that people are more likely to locate new subcategories within categories that already contain many subordinates precisely because such categories are more activated and accessible than those that contain fewer subordinates.
In a second study, we further tested the CAM’s predictive ability by analyzing how computer users create new file folders within their directory trees. In this study, we analyzed data on nearly 70,000 directories created by more than 1,600 users on internet servers at two universities and a high school. We wrote a program to collect data from these servers and provide a snapshot of each user’s directory tree, including the exact time at which each file folder within the tree was created. We then showed that the structure of these directory trees and the process by which they developed are consistent with the CAM’s predictions. These results provide support for the CAM in an externally valid context.

In addition to categorizing products, consumers also categorize their expenditures by placing them into mental accounts (Thaler 1999). Since consumers utilize these accounts to track their expenses, it follows that the category to which consumers assign an expenditure may affect their willingness to incur additional expenditures that are either similar or different (Cheema and Soman 2006; Heath and Soll 1996). In two extension studies, we show that the CAM can be used to both predict and influence the location of new mental accounts. Thus, the CAM has implications not only for how new products should be positioned, but also for how they should be priced. Influencing category construction is an exciting area that additional research should examine.

References
The Appeal of Others: How to Avoid the Self-Positivity Bias
Sutapa Aditya, York University, Canada
Kelley Main, York University, Canada

Nearly 50 years of research and numerous articles on fear appeals have attempted to illustrate the behavioral motivation such appeals may generate (Witte and Allen 2000). The logical reasoning of using fear appeals in persuasion links back to the “drive-reduction model” (Howland, Jains and Kelley 1953). The model suggests that a message becomes successful in persuasion only when it is sufficiently intense to create a drive and present recommendations capable of mitigating the fear (Keller 1999). Keller (1999) found that people engaging in risky behavior were persuaded more by lower fear appeals than those who were already adhering to healthier lifestyle/avoiding those risky behaviors. Such findings can be explained by the fact that people who practice risky behavior become more defensive in response to high fear appeals as they find themselves more vulnerable when exposed to such fear inducing messages. This is consistent with defense motivated processing, which is a fairly close-minded form, that leads to individuals’ desire to hold attitudes or beliefs congruent with positive self-concept (Chen and Chaiken 1999). Perceptions of risk for certain health conditions are not congruent with this desire to maintain a positive self-concept. This defensiveness leads to a lower capacity to process the recommendations presented in the message and thereby a higher inclination to discount the message all together with no appreciable influence on risk perceptions (Kunda 1990, Keller and Block 1997, Keller 1999).

This literature demonstrates the importance of understanding how health communications involving fear appeals may or may not influence consumer perceptions. Ideally, health messages should arouse fear only to the extent that the audience perceives increased risk for themselves leading them to adhere to the prescribed behavior. One critical concern of health communications relates to the “self-positivity bias” of the target audience. This bias demonstrates that people have a general tendency to assume themselves as impervious to the threat of being exposed to diseases (Raghubir and Menon 1998) and they do not feel the need or urgency to adhere to the preventative behaviors presented. This self-positivity bias leads people to discount health related messages in order to maintain their self-esteem (Taylor and Brown 1988). This bias does not occur when people are asked to estimate the risk of unpleasant things happening to another person (Perloff and Fetzer 1986, Raghubir and Menon 1998). This opens a new frontier of research studying how self vs. other related appeals can impact on subsequent persuasion.

Recent work on the self-positivity bias has explored how the compatibility between self vs. other-related emotions of the audience and the referent in the message influences perceptions of risk (Agarwal, Menon and Aaker 2006). However, it is yet to be explored how the referent (self vs. other) in a fear appeal message would influence perceptions of risk and behavioral intentions. The current research attempts to fill this gap by manipulating the referent (self vs. other) in the message using a fear appeal and exploring how the perceptions of risk and intention to adopt the recommended behavior changes accordingly. In this case, we anticipate that when a message is self-referent, it will generate more defensive processing and result in self-positivity bias (i.e. lower perceptions of risk). On the contrary, when the referent is someone else, it is not expected to generate the same defensiveness, and the result will be higher perceptions of risk for themselves.

A one-way ANOVA was designed to manipulate the message referent (self vs. other) and measure subsequent influence on risk perceptions and behavioral intentions. A print advertisement for skin cancer was developed for the study. All groups were exposed to the same advertisement that listed the factors leading to skin cancer and preventative steps that could be taken. The only difference in the ads was the first line, which prompted respondents to think of either themselves or someone else while they read the ad. In total, 57 undergraduate business students at a large eastern university participated in exchange for partial course credit. Post exposure measures on risk perceptions and behavioral intentions were collected. Risk perceptions were measured with a single item asking participants if they felt they were at risk for skin cancer and behavioral intentions were measured with 2 items that were mentioned in the advertisements as ways to avoid getting skin cancer (e.g. how likely are you to wear sunscreen and how likely are you to have a doctor check your skin for damage, $r_{.50}$, $p<.001$).

Results of the one-way ANOVA showed a significant influence on perceptions of risk ($F(1,55)=5.99$, $p<.01$). A comparison of the means indicated that the other-referent message generated higher perceptions of risk among the respondents ($M=4.43$) as opposed to the
self-referent message ($M=3.28$). The behavioral intentions measure demonstrated the same pattern of results ($F(1.55)=7.31, p<.01$) where those reviewing other referent measure had greater behavioral intentions ($M=4.07$) than those reviewing self-referent message ($M=2.91$).

As expected, results demonstrated the effectiveness of other-referent messages in avoiding the self-positivity bias. Participants who reviewed the other-referent messages were significantly more likely to have higher perceptions of risk for themselves of developing skin cancer. Further, these participants were also more likely to indicate intentions to follow the advice from the advertisement regarding wearing sunscreen and seeing a doctor to avoiding the disease. Future research will need to explore more fully/comprehensively the processing involved in risk perceptions to determine the exact influence of defensive response and its role in the self-positivity bias.

References

The Effect of Discounting the Influence of Sources of Information on Choice and Product Perceptions
Francine Espinoza, University of Maryland, USA
Rebecca Hamilton, University of Maryland, USA

Extended Abstract
In this research, we examine the effect of the source of the influence (e.g., salesperson or friend) and consumers’ ability to correct for the source’s influence on their product evaluations. Consumer’s perceptions of the source of a persuasive attempt have been found to influence the effectiveness of persuasive attempts in previous research (for a review, see Wilson and Sherrell 1993). People may react negatively when they believe a salesperson has an ulterior motive for persuasion (Campbell and Kirmani 2000), yet yield to a recognized persuasion attempt by a friend (Hamilton 2003).

Wegener and Petty’s (1995, 1997, 1998) Flexible Correction Model postulates that individuals correct for perceived bias when they are motivated and able to adjust their judgments, and that they make these adjustments based on their naïve theories about how a given source influences their judgments. We propose that the manner in which consumers correct for a perceived influence on their judgments is influenced by the perceived source of the influence. If people hold different beliefs about how strong an influence a source might have on their judgments, they may account for that influence differently.

Consumers may think that a salesperson is trying to persuade them (Campbell and Kirmani 2000; Stafford, Leigh and Martin 1995), but may not perceive a friend’s attempt to influence their judgments in the same way. As a result, they may react differently to the same persuasive message depending on whether a salesperson or a friend delivers it. For example, Hamilton (2003) found that under some conditions, consumers were more likely to comply and choose the “suggested” alternative when a friend (rather than a stranger) was trying to influence them, even though the influence attempt was the same. Therefore, we propose that consumers will be more likely to resist the persuasion of a salesperson than the persuasion of a friend.

However, when consumers are instructed to correct their judgments (e.g., if they are told to avoid letting the salesperson or friend influence their judgments), we expect the pattern to reverse. Because consumers naturally resist the influence of a salesperson, they may overcorrect for the influence of the salesperson, resulting in enhanced effectiveness of the persuasive message rather than reduced effectiveness. In contrast, because consumers do not naturally resist the influence of a friend, an instruction to correct may reduce the effectiveness of the persuasion attempt.
We designed an experiment to test these predictions. The study employs a 2 (salesperson vs. friend) x 2 (no-instruction vs. instruction to correct) between-subjects design. The dependent variables were choice and willingness to purchase the product. Measures regarding persuasion knowledge and ulterior motives were also included.

Participants (N=71) read a written scenario (adapted from Campbell and Kirmani 2000) describing a situation in which they imagined they were looking for a jacket. In the salesperson condition, the salesperson makes a comment about one of the two jackets the participant imagines trying on (the target jacket); in the friend condition, the participant’s friend makes the same comment. In the no-instruction condition, participants answered the questions immediately after reading the scenario; in the instruction condition, participants were told to “try their best not to let the salesperson’s (the friend’s) opinion influence their own opinion.” Participants then chose between the non-target and the target jacket and completed the other measures.

As predicted, the salesperson was perceived as more persuasive than the friend ($M_s=6.21, M_f=4.58$), indicating a main effect of source ($F(1, 67)=22.13, p<.001$). Participants also perceived the salesperson as being more manipulative ($F(1, 67)=11.79, p<.001$), less trustworthy ($F(1, 67)=54.57, p<.001$), and less sincere than the friend ($F(1, 67)=16.94, p<.001$). Consistent with their desire to resist the salesperson’s influence, we found that in the salesperson condition participants chose the jacket that had not been recommended by the salesperson (the non-target jacket) marginally more often (15% of the time) than in the friend condition (7% of the time) ($\chi^2=3.127, p<.07$).

In the no-instruction condition, participants indicated that they tried harder to resist the salesperson’s influence than the friend’s influence ($M_s=4.5, M_f=2.83$). However, when they were instructed to correct, they tended to resist the salesperson’s influence less and the friend’s influence more ($M_s=3.71, M_f=3.77$), resulting in a significant interaction ($F(1, 67)=4.16, p<.05$).

Consistent with participants’ perceptions of their resistance, participants in the salesperson condition tended to prefer the non-target jacket relative to the target jacket in the no-instruction condition. However, when they were instructed to correct, there was no difference in their willingness to purchase the two jackets. The opposite pattern was observed in the friend condition, resulting in a significant three-way interaction ($F(1, 67)=4.23, p<.05$). Participants in the friend condition were more willing to purchase the recommended jacket in the no-instruction condition; the difference was not significant in the instruction condition.

Our findings show that when they are not instructed to correct their judgments, participants tend to comply with their friends and resist the salesperson’s influence, choosing the recommended jacket more when it was recommended by the friend than when it was recommended by the salesperson. Instruction to correct decreased choice of the recommended jacket in the friend condition and increased choice of the recommended jacket in the salesperson condition, making the proportion of choice equal.

This research builds on earlier research on source effects and on correction by showing that providing instructions to correct can moderate source effects. Notably, when people attempt to correct for a source’s influence the persuasiveness of a less trusted source such as a salesperson can actually increase. Despite the advantages of a friend in perceived trustworthiness, manipulativeness and sincerity, a simple reminder to a consumer to avoid being influenced by a third party can make a salesperson just as effective as a friend.

References


### Mental Visual Imagery, Authenticity and Consumers’ Attitude Formation towards Licensed Brands

_Jen-Yuan Martin Liu, University of Warwick, UK_  
_Qing Wang, University of Warwick, UK_

**EXTENDED ABSTRACT**

Many researchers (e.g. Holt 2002; Kozinets 2002; Thompson et al. 2006) have noted that brand licensing undermines the value of the brands. However some examples suggest differently. Haier, a global brand in home electronics began its ascent in China by licensing refrigerator technology and the brand from German Liebherr Corp. Sanyo Fashion House Inc. obtained license to manufacture and distribute “blue label” Burberry products in Japan. Despite their licensee image, they have both achieved strong brand value internationally.

In this paper, we ask the question “when and how licensed brands achieve the same or even higher value than original brands?” and we reason that consumers’ assessment of authenticity may hold the key to this question. Most researchers agree that authenticity is not
an attribute inherent in an object and is better understood and assessed by a particular evaluator in its particular context (Grayson and Martinec 2004). However, little research has studied the antecedents and consequences of authenticity. This is particularly relevant in brand licensing, as the cues for communicating authenticity of a licensed brand will help consumers’ assessment of the value of the licensed brand, and these cues may or may not be related to the attributes of the original brands. This research intends to make three related contributions. Firstly, we attempt to develop multidimensional measures for authenticity in brand licensing. Secondly, we will empirically test whether mental visual imagery influence consumers’ perception of authenticity. Thirdly, we are to test the link between the types of authenticity and consumers’ attitude formation of licensed brands.

Indexical and Iconic Authenticity

Grayson and Martinec (2004) identified two dimensions of authenticity based on the semiotic model developed by Peirce (1998): the indexical authenticity and iconic authenticity. Indexical authenticity refers to the physical or psychological link which distinguishes the “real thing” from its copies (Grayson and Shulman 2000). Iconic authenticity refers to the preexisting knowledge or expectations which a person perceives something being similar to something else. In order for the licensed brand to be perceived as authentic, the cues for communicating authenticity are crucial, and this process of understanding and specifying these cues is called the negotiation of meaning (Grayson and Martinec, 2004).

Mental Visual Imagery

Past research (e.g. Adeyemo, 1990; Dahl and Chattopadhyay, 1999; MacInnis and Price, 1987) has shown that mental visual imagery is one of the mental processes which one uses to make sense of cues. Mental imagery is a form of internal representation in which information about the appearance of physical objects, events and scenes can be depicted and manipulated (Richardson 1999, P. 3). Research in marketing has distinguished different types of visual mental imagery: the image based on memory and imagination (Dahl and Chattopadhyay, 1999; MacInnis and Price 1987). These authors define memory image as the event or occasion that a person has personally experienced or observed whereas imagination imagery is a new, never-before-experienced event.

The link between authenticity and mental visual imagery

Assessment of authenticity involves a complex perceptual process (Belk and Costa 1998; Pen’aloza 2001). A person construes the cues via the formation of mental visual image before further deriving his/her perception about the authenticity of a licensed brand. Iconic authenticity may be achieved when cues are congruent with their memory. Because to view something as iconically authentic, a perceiver must have some preexisting knowledge or perceived similarities of a licensed brand with something he or she is familiar with, memory imagery can be interpreted as the cue which links consumers preexisting knowledge with the perceived iconic authenticity about the licensed brand. Therefore:

H1: Consumers’ memory imagery is positively correlated with perceived iconic authenticity.

Imagination imagery involves the creation of previously unseen image and the capacity of imagination imagery determines one’s ability to negotiate meaning out of novel information (Adeyemo 1990). To view something as an index, a perceiver must believe it actually has the “factual” and “spatio-temporal link” that is claimed (Grayson and Shulman 2000). Imagination imagery can be interpreted as acceptance of marketing communications from the licensee toward the perception of indexical authenticity by consumers. Therefore:

H2: Consumers’ imagination imagery is positively correlated with perceived indexical authenticity.

H3: The more the licensed brand is perceived with iconic cues, the more licensed brand will be perceived as authentic.

H4: The more the licensed brand is perceived with indexical cues, the more licensed brand will be perceived as authentic.

Although both iconic and indexical cues are likely to encourage consumers to believe that a licensed brand is authentic, iconic cues are likely to be more powerful because consumers possess some preexisting knowledge about the licensed brand or perceive similarities with something they are familiar with. Therefore:

H5: Iconic cues have greater influence than indexical cues on consumers’ assessment of authenticity.

Finally we examine whether assessment of authenticity will in turn influence consumers’ attitude toward the licensed brand. Attitude towards a brand can be defined as consumer’s overall brand evaluation (Aaker and Keller, 1990). Cognition is part of the belief formation and the salience of beliefs in term form attitude (Ajzen, 2002). Assessment of authenticity is one type of cognitive associations assisting consumers to negotiate the meaning of brand licensing. Therefore:

H6: Perceived authenticity is positively correlated with consumers’ attitude formation toward licensed brands.

Methods and Measures

There are two stages of data collection in this research: exploratory focus group studies and controlled experiments.

**Exploratory Focus Group Studies**

The focus group studies were completed. The purpose of the focus group studies is twofold. Firstly, we hoped to gain deeper understanding about how consumers perceive the connections among our three focal concepts and to develop a set of hypotheses. Secondly, it would help with the development of relevant measures to be used in the controlled experiments.
Three focus group interviews were designed and conducted based on the guideline from Krueger (1994) and Yin (1984). Twenty-six informants (20 to 35 years of age) were recruited from both undergraduate and postgraduate students in a west midland university in the United Kingdom. Each focus group lasted around 60 minutes. The informants, 51% of which are female, have Chinese origin. These informants were recruited for the consistency with second stage of data collection in China. The focus group results were content analyzed according to the guideline of Yin (1984). The results shown that, firstly, the distinction between the use of memory and imagination imagery is important to assess authenticity of licensed brands. Secondly, there exist different antecedents for the two dimensions of authenticity (detailed findings will be reported in the full paper).

Controlled experiments

A set of controlled experiments will be employed to test our derived hypotheses. Brand selection criteria are based on Aaker and Keller’s (1990), i.e. relevance to the subjects, generally perceived as high quality, able to elicit relatively specific associations. Two hundred students will be recruited from a Chinese university to participate in the study. Chinese market is chosen because of its market size and rapid growth in licensing activities (LIMA, 2005).

The independent variables are visual mental imagery and authenticity. Visual mental imagery types will be manipulated by instructing participants to rely on either imagination or memory when evaluating authenticity. The measurements for manipulation check will be adopted from Dahl and Chattopadhyay’s (1999) 7-point scale. Two 7-point authenticity measures were developed based on focus group findings:

(a) Indexical authenticity in brand licensing: novelty, level of involvement of the brand owner, and perception about distribution.
(b) Iconic authenticity in brand licensing: quality, country of origin, and trademark.

The dependent variable is attitude toward the licensed brand. To measure attitude toward licensed brand, we will adopt Kind and Smith’s (2001) 7-point semantic differential scale. Two experimental factors (imagery types) will be manipulated. Experimental design will consist of a 2 (imagery type) x 2 (authenticity type) + 1 control mixed model. Imagery types are between-subjects variables, with subjects exposed to a set of either memory or imagination stimuli. Authenticity types are crossed within-subject, so that all subjects will be exposed to all levels of these variables.

References

The Role of Self Esteem in Value Perceptions

Self-esteem is known to play a key role in determining a buyer’s susceptibility to marketing communications (Maile and Kizilbash 1977). For instance, consumers with high self-esteem tend to be influenced by less credible than the more credible communications whereas consumers with high self-esteem tend to be less influenced by marketing messages only when communications is deemed credible. Those with high self-esteem hold high expectations about outcomes and expect to excel at whatever task they undertake (Tice 1993). As a result, they exert maximal effort towards processing information and are willing to take risks to stand out in self-enhancing ways (Baumeister 1982). Those with positive self views tend to process information deeply even when faced with uncertainties (Swann et al. 1990). In contrast, people with low self-esteem lack confidence to form judgments and are thus not inclined to extensively consider information to form independent judgments that might call attention to their perceived deficiencies (Baumeister 1982; Baumeister and Tice 1985).

The degree of confidence that consumers have in their price knowledge relates to their purchase experience and their attitudes towards the company making the offer. In situations where consumers have established, loyal relationships with a company, their trust and confidence in the company’s practices could potentially enhance customer loyalty (Siretedeshmukh, Singh and Sabol 2002). Furthermore, Suri and Monroe (2003) showed that when consumers spend cognitive resources to process information they use price more to determine the perceived sacrifice associated with the purchase of a product and consequently its value (i.e., low price represents low sacrifice and high value). On the other hand, when cognitive resources are limited, price is processed more in its role to evaluate a product’s quality and value (i.e., low price represents low quality and low value).

Integrating the role of self-esteem and customer loyalty, we expect that consumers with high self-esteem will spend cognitive effort to process information and associate low (high) prices with high (low) perceived value. Because they process information thoroughly and are also tolerant of risk, high self-esteem consumers are prone to draw on their prior knowledge about market prices and likely to utilize internal rather than external reference prices in brand choice decisions even when evaluating price information in uncertain situations (Mazumdar and Papatla 1995). Consumers with low self-esteem, however, want to avoid risky outcomes (Baumeister 1982). To reduce the possibility of making a bad decision, they are apt to trust external information (e.g., provided by retailers) rather than their own prior price knowledge (Brockner 1984) but are likely to feel at a loss when engaged in relationships with multiple retailers. This conceptualization leads to the following hypotheses:

H1: High self-esteem individuals will perceive low (high) price as high (low) in perceived value irrespective of the consumer relationship with a retailer.

H2a: Low self-esteem individuals will perceive low (high) price to be high (low) in perceived value when they maintain a relationship with a single retailer (exclusive loyalty).

H2b: Low self-esteem individuals will not perceive differences in value between low and high prices when they maintain relationships with multiple retailers (divided loyalty).

Methodology

This exploratory study included 196 undergraduate students enrolled in an introductory business course. Participants were randomly assigned to one of the conditions in a 2 (price: high and low) X 2 (customer relationship: single- versus multi-store loyalty) between subjects.
design. Participants read a hypothetical scenario describing a customer’s relationship with one or two retailers who specialized in selling denim apparel. This scenario was followed by the presentation of price and other attribute information for a pair of Levi blue jeans, available at the focal retailer for either a low price or high price. Participants completed a number of perceptual and attitudinal measures about price including perceived value, loyalty and behavioral intentions. They also completed the Rosenberg (1965) self-esteem scale a week prior to completing the main study.

Preliminary Results
Based on a median split of participants’ score on the Rosenberg self-esteem scale, support was obtained for all hypotheses. Consistent with predictions of H1, high self-esteem individuals reported differences in value perceptions between the low- and high-price jeans in both the relationship conditions, with the low price jeans being associated with high perceptions of value and purchase intentions than the high-price jeans. Support was also obtained for H2a and H2b. The results showed that low self-esteem individuals associated high perceived value with the low-price jeans under conditions of exclusive loyalty, but under conditions of divided loyalty low self-esteem individuals found no difference in value between low- and high-price jeans. Additional analyses indicated that self-esteem was a better predictor of the patterns of value perceptions in the relational setting used in this study compared to individual differences in value consciousness (see Lichtenstein et al. 1990).

Conclusion
The results show that not all consumers seek low prices in today’s relational environments. It appears that the confluence of strategic (i.e., pricing strategy), situational (relationship type) and individual factors (self-esteem) can have significantly different consequences on how consumers cognitively process price information and the construction of value perceptions. Based on the findings of this exploratory study, the role of value perceptions in consumer relationships warrants further investigation.

References

Perceived Fairness: Conceptual Framework and Scale Development
Sooyeon Nikki Lee-Wingate, Rutgers University, USA
Barbara B. Stern, Rutgers University, USA

Fairness is a concept that first entered the English language about 1460 as a referent to “equitableness, fair dealing, honesty, impartiality, uprightness” (Oxford English Dictionary Online, 2004, 3). From the outset, the concept was associated with morality, commerce, and public life, for its first recorded use is in the line, “it is best that we treat him with fairness,” found in religious plays (Towneley Mysteries, c. 1460, Cawley 1963) put on for townspeople by medieval craft guilds such as cloth merchants or tanners. The definition has remained remarkably unchanged in six centuries of use, and is now a cardinal concept in social science and marketing research, referring to an individual’s social judgment about what is “just” or “deserved.” Its importance lies in its influence on an individual’s feelings, attitudes, and behaviors in interactions with others (Campbell 1999; Feinberg, Krishna, and Zhang 2001; Tyler and