Effect of Unrelated Product Offers on Product Evaluations: the Role of Construal Level

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[to cite]:

[url]:
http://www.acrwebsite.org/volumes/1011123/volumes/ap11/AP-10

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The Role of Construal Level

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ABSTRACT
Existing empirical work shows that providing consumers with product offers that are unrelated or irrelevant can sometimes decrease a product’s overall attractiveness (Simonson et al., 1994; Thota and Biswas, 2009), while some other studies show that such an offer enhances the product evaluation (Carpenter, Glazer and Nakamoto, 1994). The present study proposes construal level as a moderator to the effect of an unrelated product offer on product evaluation. We also test product inference as an explanation for the results obtained by introducing inferential judgement as a mediator to the influence of construal level on the evaluation of the product with an unrelated product offer.

EXTENDED ABSTRACT
Sales promotions often include gifts that are unrelated to the core product on offer (Thotas and Biswas, 2009). An example of such an unrelated product offer is an electrical megastore offering consumers a free fuel voucher with the purchase of electrical goods. Existing empirical work shows that providing consumers with product offers that are unrelated or irrelevant can decrease overall attractiveness of a product (Simonson et al., 1994) and may even irritate consumers (Thota and Biswas, 2009). However, other studies show that adding an unrelated attribute can enhance the evaluation of the brand, even when consumers acknowledge that the irrelevant attribute is unimportant or unrelated (Carpenter, Glazer and Nakamoto, 1994). Some research tries to reconcile and explain these mixed findings using moderating variables including choice set size (Brown and Carpenter, 1994) and choice context cues (Broniarczyk and Gershoff, 2003), however only limited attempts have been made to look at psychological processes as an explanation (or moderator) to these mixed findings. This study focuses on construal level as a factor that influences the psychological process to the extent that it acts as a moderator of the effect of an unrelated product offer on product evaluation. Hence, the present paper proposes that the effects of unrelated product offers on product evaluation depend on the level of construal.

Construal level theory states that people organize their knowledge around concepts in a hierarchical structure whereby certain events are represented using high level and abstract or low level and concrete construal (Liu, 2008). Prior research finds that psychological distance influences the level of construal whereby greater distance yields a superordinate, ends related, abstract construal, while lower distance yields a subordinate means related concrete construal (Trope and Liberman, 2000; Yan and Sengupta, 2011). We hypothesize that consumers make inferences about the unrelated product offer such that the use of an abstract, high level construal elicits more positive inferences about an unrelated product offer than a concrete, low level construal, thereby influencing the overall evaluation of the product.

We conduct five experiments to test our hypotheses. The first experiment examines the interaction between psychological distance and the unrelated product offer. The study manipulates psychological distance using a temporal perspective and a social perspective, following other research that has used similar manipulations of psychological distance (Kim, Zhang and Lee, 2008; Liviatan, Trope and Liberman, 2006). It employs a 2x2 between subjects design with factors psychological distance (distant, proximal) and in-store promotion (unrelated product offer present or absent). Psychological distance is manipulated using a task adapted from Kim et al., (2008) and the product scenario is adapted from Simonson et al (1994).

The second study uses different manipulations of temporal construal and a different product. Temporal framing is manipulated as temporal distance (Chandran and Menon, 2004). The product description is presented in words instead of the numerical values in study 1. To test our hypotheses across different types of product, study 2 uses an abdominal machine as the product (adapted from Thota and Biswas 2009) instead of the downjacket used in study 1 (based on Carpenter et al., 1994; Simonson et al., 1994). A third experiment manipulates construal level using a ‘why’ (abstract construal) and ‘how’ (concrete construal) manipulation task (Freitas, Gollwitzer and Trope, 2004).

Results obtained from the three experiments
show that in the psychological distant or abstract construal condition, participants rate the product with the unrelated product offer higher than the product without the unrelated product offer, whereas in the psychological proximal distance or concrete construal level condition the opposite effect is observed, with participants rating the product with the unrelated product offer lower than the product without the unrelated product offer.

Study four aims to test inference making as the underlying mechanism for the results obtained in studies one to three. The experimental design for this is similar to study 3, except that the participants are asked to also rate the value and attractiveness of the unrelated product offer. Results show that the use of abstract, high level construal elicits more positive inferences for an unrelated product offer than the use of concrete low level construal.

Finally, in study five, we add and test a condition where the presence of the product offer is indicated but no details of its nature are revealed. We expect that the vague description of the product offer will magnify the extent of inferencing, resulting in a larger impact of the unrelated offer on the evaluation of the overall product in the distant compared to the proximal distance condition. Using a 2 (psychological distance: distant, proximal) x 3 (Product offer: unrelated, yes, no), the results show, as expected, a larger difference in product evaluations between the three product offers in the distant than proximal condition.

With these five experiments, our paper contributes to the literature on psychological distance and construal level by suggesting that construal level and psychological distance, specifically temporal and social distance, are moderators to the effects of unrelated product offers on product evaluation. The product with the unrelated product offer is rated higher than the product without the unrelated product offer when psychological distance is high, and it is rated lower when psychological distance is low. Similarly, the product with the unrelated product offer is rated higher than the product without the unrelated product offer in the abstract construal while being rated lower in the concrete construal condition.

We also test product inference as an explanation for the results obtained and find that the use of abstract, high level construal elicits more positive inferences for an unrelated product offer than the use of a concrete low level construal. This supports the proposed psychological process. In sum, our research contributes to the construal level literature by introducing inferential judgement as a potential mediator to the influence of construal level on the evaluation of the product that includes an unrelated product offer.

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