The Journey Continues: Building on the Legacy of the Odyssey

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PRESENTATION ABSTRACT

It is no secret that the emergence of cyberspace has changed marketing communications (Rogers and Allbritton 1995; Silk et al. 2001). More prominently, the Internet has changed from face-to-face social based interpersonal communications to one of computer-based social networking (Wellman 2001). Cyberspace allows consumers to “gather” in virtual communities and exchange opinions that lead to an “information democracy” in which the information is tilted toward the consumer instead of being manipulated by marketers (Armstrong and Hagel 1993; Bargh and McKenna 2004; Rheingold 1993; Sawhney and Kotler 2001). In other words, cyberspace allows the opportunity for the voices of consumers to possibly drown that of the marketers.

In spite of the advocacy and the reality of the proliferation of online word-of-mouth (eWOM) with 33% of all adult Americans having participated in it in one way or another (www.pewinternet.org), researchers mainly remain silent about this phenomenon in relation to advertising within the new-product adoption process. Traditionally, marketing and interpersonal communications were separated by time and place with mass media transmission first, followed by word-of-mouth interpersonal communications through face-to-face social contacts (Two-Step Flow by Katz and Lazarsfeld 1955; New-product Diffusion Process by Rogers 1962). The quality of the Internet merging both mass media and interpersonal communications into one changed that (Deighton 1997). Consumers can now access both marketing and interpersonal communications at the same time and at the same space on multiple websites. The question then becomes, how does this new combination affect the persuasion process within new-product adoption? Are the combined advertising and word-of-mouth messages effective in all websites?

Previous persuasion research has elicited that when there is an incongruity between the source (the messenger) and the message (content) in advertising, the persuasion effect could be negative instead of positive as originally intended (Slater and Rouner 1996). In this paper, we argue further that even when the source and message are congruous, their incongruity with the location could lead to a lesser or even an opposite persuasion effect than intended. In other words, this paper speculates that when a firm includes positive eWOM in its own website to facilitate its marketing communication messages, similar to that of mass-media based advertising using “fellow consumers” word-of-mouth endorsement, the persuasive effectiveness may diminish. This is because consumers would most likely perceive the positive eWOM as a deliberate part of manipulated marketing communications, a phenomenon especially not welcome under the Internet-based new “information democracy” previously mentioned (Sawhney and Kotler 2001). This paper extends this argument to suggest that the inclusion of positive eWOM in a firm’s website may in fact undermine the firm’s own marketing messages.

In order to make eWOM a part of an effective persuasive communication within the new-product adoption process, we suggest allocating it within a 3rd-party independent website that has no affiliation with the advertising firm. While the independency of the source enabling a more persuasive effect is not new, in this paper we are extending the independency requirement to the “location” which hosts both the source and the message. We hypothesize that the independency of the location will maximize the persuasive effectiveness of the message.

Further, we hypothesize that simply advertising on a 3rd-party independent website would not necessarily increase its persuasive effectiveness when compared to that of the firms’ own websites. This is due to the fact that persuasion knowledge model posits that consumers can detect advertising messages and can identify an agent trying to influence them and will activate their persuasion knowledge accordingly. In this sense, consumers do not vary their attitudes toward the advertising message in either website.

This paper aims to measure the perceived persuasiveness of the combination of advertising and word-of-mouth communications in two types of websites (firm-sponsored versus 3rd-party independent-sponsored websites) toward the new product adoption process to include consumers’ interest and likelihood to adopt a new product. A fictitious movie with its advertising and word-of-mouth information were given to four groups of subjects to measure their response on website location effect, word-of-mouth effect and quantitative information effect.

A 2 (firm-sponsored vs. 3rd-party sponsored independent website) x 2 (advertisement only vs. advertisement plus eWOM) between-subject design was used in this experiment. The product used was a new movie DVD. The independent variables consisted of website location and eWOM. Involvement and likelihood to adopt a new product were the two dependent variables. A total of ninety subjects were recruited from a participation pool at a large Northeastern university. The subjects received course credit for participation. All subjects were assigned randomly to the treatment conditions.

After conducting an ANOVA, we found empirical support for positive online word-of-mouth having an additive effect to advertising in 3rd-party sponsored websites but not in firm-sponsored websites. The results also supported the interaction effect between website location and eWOM messages, with eWOM added to advertising in a 3rd-party website having a larger additive effect on consumers involvement and likelihood to adopt a new product than in a firm-sponsored website. The results also supported the hypothesis that consumers do not differ in their involvement or likelihood to adopt a new product when exposed to only the advertisement, regardless of where it is placed.

In particular, the findings of this study bring forth new evidence that positive word-of-mouth does not have an additive effect on advertising when they are placed within the company’s own website. This new evidence adds empirical support to the body of literature that has prophesized that the new virtual space will change the landscape of marketing and interpersonal communications to become a hybrid of mass interpersonal communications that empowers the consumer (Deighton 1997; Sawhney and Kotler 2001).

Finally, this paper makes three important contributions. It adds knowledge to current literature in (1) website strategic management in deciding where not to include word-of-mouth communications, (2) word-of-mouth communications in the interaction effect of word-of-mouth and advertising in the online environment,
and (3) new-product adoption in shedding light as to why not all positive word-of-mouth communications are effective.

REFERENCES


OVERVIEW AND CONTRIBUTIONS

Home is a fundamental construct in social sciences that represents the emotional and meaningful relationship that consumers form with place (Altman and Werner 1985). However, consumer research on home is scarce (McCracken 1989; Sherry 2000). Home has been studied mainly as a context for decision-making and commercial exchange (e.g., Frenzen and Davis 1990; Grayson 1998). But previous work argues that home constitutes an important place for self-development and family life (Claiborne and Ozanne 1990; Hill 1991; McCracken 1989; Venkantesh, et al. 2001). These studies suggest that home is a symbolic and sacred object, and allude to consumers’ use of possessions and consumption practices to transform place into home environments. However, we lack studies that focus on the role of the marketplace in home practices as well as studies on the concept of home per se. Furthermore, this session suggests that consumer researchers move beyond an outdated conceptualization of home as a fixed place, typically identified with the house or the homeland, and in which the consumers’ display a strong, affective, nostalgic, and permanent connection to a place. By focusing on the concept of home, this session advances our understanding of the ways that consumers relate to place in postmodernity as well as the role that the marketplace plays in consumers’ home related practices, such as indwelling and constructing a home.

Consistent with a current movement in social sciences that re-examines the ways that consumers relate to place in postmodernity, the three papers in this session investigate the ways that contemporary life conditions have transformed the notion of home and argue for an increasing role of the market in the social construction of home. The first paper by Bardhi and Arnould investigates a mobile notion of home among contemporary nomadic consumers. They find that the home in postmodernity is not necessary defined in terms of place, but in terms of relationships, possessions and spatial patterns. Mobile professionals actively engage in practices that transform public, commercial spaces into private and salient spaces of home. The second paper by Rosenbaum focuses on aged informants’ consumption of a diner. This study demonstrates the social role this consumption space plays in the lives of aged consumers—becoming either an extension of their homes or a replacement home. The study investigates how consumers and service providers co-construct the consumption experience in this diner as a home experience through their social relationships, the regularity of consumption practices in the diner, and the domestic activities that take place there. The third paper by Venkatesh is part of an ongoing research project, “Family Portal Design.” This research shows how the integrative use of technology in multiple aspects of domestic life blurs the traditional boundaries between the home as private sphere and society as public sphere. In the postmodern household, work and domestic lives are interpenetrating, while home takes on nomadic qualities and is no longer fixed to a place (see also Venkatesh et al. 2001). This study argues for a polysemous understanding of technology at home.

“Making a Home on the Road: A Mobile Concept of Home among Transnational Mobile Professionals”

Fleura Bardhi and Eric Arnould

Global geographical mobility is a normal condition of postmodernity. Seven hundred million people move daily across borders while eighty million people reside outside their native home country (Beck 2000). Many people live between and betwixt several homes and others are in a continuous state of mobility without a fixed place to call home (Featherstone 1995; Urry 2002). How do these contemporary nomads construct a sense of home on the road? What is the meaning of home for these mobile populations? How do they use possessions and commercial setting in the process of home making? These research questions are addressed in this study.

Home is one of the central social concepts that consumers orient themselves in time and space as well as a highly symbolic and often sacred object. However, consumer research on home is scarce (Sherry 2000). Mobile consumers’ connections to home and the influence of this relationship in consumer behavior have been discussed in the acculturation literature. However, acculturation studies have examined mainly sojourner consumer segments—sedentary consumers for whom mobility is only a temporary condition and they sustain the connection to a place they call home. We also do not know much about the ways that mobile consumers construct a home on the road (Thompson and Tambyah 1999). The focus of existing studies has been on the ways that sojourners sustain connection with existing homes while on the road. Finally, consumer research has been informed by an implicit notion of home as fixed to a place (homeland or dwelling).

This study addresses these issues by studying the notions of home among consumers who willingly live nomadic lifestyles, such as transnational mobile professionals (TMPs) (Featherstone 1995). TMPs are members of a mobile professional class that has emerged worldwide with the development of the global economy. This global consumer segment is characterized by cosmopolitan orientation and voluntary nomadism, always on the road from one global city to the other, without a clear anchoring of identity to place or nationality (Featherstone 1995; Hannerz 1996). The data for this study is comprised of 35 semi-structured, long interviews with highly mobile global professionals. The informants were selected on the bases of sampling criteria derived from the literature on TMPs. The sample includes roving professionals, business travelers, and expatriates located in different parts of the world. The researchers traveled in the informants’ places of residency or work to conduct the interviews, which lasted from 1 to 5 hours. NVivo was used to code the data following a preliminary list of codes and the recommended techniques of qualitative data analysis.

The study found that TMPs desire to have a home and engage continuously in practices that enable them to maintain or recreate a sense of home on the road. We find that TMPs define home in a mobile sense, in three different ways. First, TMPs define home in terms of order: home is found in places where certain spatial and temporal patterns exist or are created. Second, TMPs define home in terms of salient relationships. Findings show that TMPs experi-