Anticipating Consumption: the Impact of Expectations on Decision-Making For Healthy Products

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This two-part study offers an examination of the construct of consumer expectations within the context of making purchases for health-related products. In the first experiment, we find that internally-derived expectations can sometimes be detrimental to decision making because these self generated expectations can override the “objective” evidence of the product’s performance. In the second experiment, we find a persistent interaction effect such that when individuals approach a decision making task from an affective or experiential processing frame, they discount the validity of scientific reports in favor of their own pre-conceived expectations. Implications for public policy makers are discussed.

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products descriptions in different languages were created. One version had product descriptions in English; a second had product descriptions in English and Spanish; and a third had descriptions in English and French. Ethnocentrism, prejudice, and the relative dominance of the three languages were measured so that they could be used as mediating variables. Perceived country of origin and perceived country of targeting were also determined. These questions were followed by manipulation checks.

We hypothesize that product evaluations will be affected by the country of origin effect as well as the country of targeting effect. For example, the country of origin effect should result in higher valuations when the country of origin is perceived to be France. The same wine perceived to have originated in France should have differential evaluations when the perceived country of targeting is the U.S. as opposed to Mexico. The relative dominance (between the U.S. and Mexico) of the language/culture will determine the direction of the difference in product evaluations.

H2-H5 (Summary): After controlling for the country of origin effect, products perceived to be targeting more dominant cultures will have higher evaluations than products seen as targeting less dominant cultures.

Data were collected online at a large, public mid-Atlantic university from 112 subjects. Each subject evaluated each product in one language condition which yielded a sample size of 112 per product. Preliminary analyses of our data confirm most of our hypotheses.

In Study 2, the country of origin is part of the product description and, as such, is constant. This is a more rigorous test of the country of targeting effect.

We are introducing the country of targeting because of the current debate over multilingualism in the U.S. and the prevalence of multilingual packaging. We believe this concept has great theoretical and managerial implications.

References

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Making a decision in the marketplace is rarely easy. Consumers are frequently faced with many conflicting pieces of information regarding a particular purchase. This often makes decisions difficult and confusing. The decision-making environment itself rarely offers clear alternatives in which there is one obvious “best” alternative. Consumers can, however, better anticipate consumption by creating a set of expectations that can be used as a benchmark, so to speak, against which actual consumption can be compared. The well-documented expectation-disconfirmation paradigm has been used to better understand consumer decisions for a myriad of different types of products, including, for example, automobiles, cable television, and university courses (Mano and Oliver 1993; Oliver 1993; Oliver et al. 1997; Westbrook 1987; Westbrook and Oliver 1991). Research has also been done on how consumers form expectations about products that are more experiential in nature (cf., Wilson, et al. 1989; Klaaren 1994; Phillips 1996; Phillips, Olson, and Baumgartner 1995; Phillips and Baumgartner 2002).

The importance of making a more informed decision is especially important in situations in which consumers are making decisions about their own health and nutrition (Kahn and Luce 2003; Moorman 2002). In these kinds of situations, where the consequences of an uninformed decision can impact an individual’s health, it is critical that consumer researchers and policy makers better understand how consumers anticipate consumption. Making decisions about one’s own health is complicated by the fact that consumers sometimes need to wait a long time before they can reach the conclusion that a given diet or exercise regimen was “successful.” The presence of healthier immune systems (from consumption of multivitamins) and stronger bones (from consumption of calcium) is difficult to discern. Further, the pursuit of good health through the prevention of chronic disease means that success is measured by endpoints that do not occur: avoidance of hypertension, osteoporosis, cardiovascular disease, and cancer, for example. The purpose of this study is to examine the importance of expectation formation for health-related products in which the product benefits are not immediately apparent.

Study 1: Internally- vs. Externally-Derived Expectations
Study 1 is designed to examine the extent to which the formation of an initial expectation is important to the decision-making for healthy products. In the absence of obvious, tangible product results, we hypothesize that the initial formation of expectations will have
a very important impact on how consumers view the performance of the product. Because there are no tangible features and benefits of the product, consumers will be able to gain knowledge about the more intangible, experiential aspects of product consumption and, hopefully, use that information to help make a decision.

Participants were either given the chance to form their own expectations about a new product or were given written testimonials from other consumers about the product’s positive or negative performance. Not surprisingly, for individuals who consume high quality products, we find that when they create their expectations from external information, they are more likely to have higher levels of satisfaction, purchase intention, and recommendation intention. The decision-making process is strong and positive, from the formation of the initial expectations, to the consumption of the product, through to the decision about behavioral intentions.

The more interesting effects happen in the moderate and low quality product conditions. Compared to individuals who received testimonials, the individuals who created their own expectations formed impressions of the product that were, in general, more positive. Further, this tendency to form more positive impressions with self-generated expectations holds up even when the "objective" evidence of the performance of the product is taken into account. These self-generated expectations can actually result in less optimal decisions for consumers. Specifically, despite the fact that the products performed poorly, these consumers report higher levels of affect, satisfaction, purchase intention, and recommendation intention.

Study 2: Expectations Derived from Scientific Reports

In Study 2, we sought to further clarify these findings by examining the extent to which information provided by an external, official source would be judged by individuals as providing useful information about the performance of a health-related product. The manipulations were designed to simulate news reports and other scientific information to which consumers may be exposed. Consumers are often exposed to news reports about the effectiveness of a vitamin, drug, or procedure. We also examined the extent to which approaching the decision-making task from a more functional frame of mind would differ from approaching it from a more experiential mindset.

We presented consumers with credible information about a new product in the form of a published news report on a scientific study. We found, not surprisingly, that when consumers approach the task from a cognitive, logical framework, their expectations about the likely performance of the product increase as the success of the scientific study in the news report increases. However, when consumers approach the task from a more affective, experiential framework, the formation of their expectations follows a slightly different pattern. Here, as the success of the scientific study in the news reports increases, the strength of a consumer’s expectations about the likely performance of the product increases but does not peak with the case of the strongest scientific outcome. In fact, paradoxically, expectations decrease with the news report that discusses the best performing product. These expectations then impact affect, satisfaction, and behavioral intentions.

Public policy makers oftentimes work under that assumption that consumers make decisions about health-related products on logical, rational grounds. However, consumer research has found that this is not always the case (cf., Kahn and Luce 2003; Moorman 2002). The results of this study shed further light on health-related decision making for consumers who approach the task from a more affective or experiential framework. These consumers form very different expectations about how a product will likely perform and these expectations impact the rest of the decision making sequence from assessments of satisfaction through behavioral intentions.

References
Consider the Consequences: The Effect of Consequence Information on Consumer Choice of Snack Foods
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Abstract
This paper examines how the inclusion of consequence information in nutrition labeling affects food choice. A sample of 98 undergraduates participated in an experiment designed to assess the value of consequence information. Consumption goals and presence of consequence information were manipulated experimentally. Overall health goals were measured as an additional predictor. Preliminary results indicate that consequence information is capable of spurring healthier food selections, but that this effect is contingent upon the level of health goal and the specifics of the snacking situation. Implications for academics, brand managers, and government policy makers are discussed.

Conceptualization
The obesity rate is rising at an alarming rate in the United States. The rate among American adults doubled between 1980 and 2000. During the same time, the rate doubled among children and tripled among adolescents. This rapid rise in obesity rates has profound implications for human health as well as the economy (US Department of Health and Human Services, 2005a). One response to this crisis has been to provide consumers with information that aids choice. The Nutrition Labeling and Education Act (NLEA) of 1990 led to a number of studies of use of nutrition information and consumer behavior. An overall conclusion of this research stream is that for many, nutrition labels do not have a strong effect on food choice (Wansink and Huckabee 2005). If labels can help consumers make better choices, new approaches are called for.

This research examines one such opportunity—the addition of consequence information to labels. Specifically, we investigate whether consumer choice is affected by inclusion of weight gain and physical activity consequence information. Food labels required under NLEA provide nutritional information, including quantitative facts about calories, macro- and micro-nutrients. These are relatively abstract concepts. It is thought that the presence of consequence information will ease the consumer’s information processing burden by providing a direct comparator closely linked to consumers’ goals.

Self-Regulation
Self-regulation refers to the mental processes used to control one’s functions, states, and inner processes, that when combined, transform the inner animal nature into a civilized human being (Vohs and Baumeister 2004). Several approaches have been used in the study self-regulation. The classical theory of Carver and colleagues (e.g., Carver and Scheier 1981; Carver and Scheier 1990) is most applicable to this research.

Cybernetic Control and Feedback Loops
Carver’s (2004) model of self-regulation is based upon an analogy of cybernetic control. Like a thermostat, cybernetic control switches actions on/off in response to progress towards (away from) a goal state (Carver 2004). Cybernetic control operates in a four step cycle: 1) input function, 2) comparator, 3) output function, and 4) effect on environment. The input function (perception) brings information into the system about the state of the environment. In the present research, this includes nutritional information about the attributes of snack foods under consideration. A comparator is a mechanism that calculates a comparison between the input and the relevant goal or standard. If the comparison yields a discrepancy, then the output function (behavior) changes. In this research, it is expected that the projected consequences of eating a particular snack food are compared to the chooser’s goal state.

Consequence information should enable choices that are more consistent with the chooser’s goals. Using the standard NLEA nutrition facts panel, one must process relatively abstract concepts, such as number of calories and fat grams, to form a judgment of whether a particular snack choice supports one’s goals. When straightforward consequence information is provided, a more direct comparison is possible. For example, if the amount of associated weight gain or the amount of exercise required to expend the calories contained were presented, a comparison to the goal state becomes straightforward. Finally, if the behavior change is effective, then some change results in the environment, which is detected in the next cycle of the input function. This part of the process falls outside the context of this study.

People possess both chronic and situational goals, which may at times conflict. For example, a person may hold the chronic goal of maintaining a healthy weight, but in a given situation have the goal of rewarding him or herself with an indulgent snack. Applying the analogy of cybernetic control to this situation, we can imagine multiple conflicting feedback loops in operation. Under conditions of such goal conflict, consequence information has the potential to enable the feedback loop associated with the chronic goal of weight loss/maintenance to become more dominant in the resolution of goal conflict.

Method
Participants
Participants were 98 undergraduate business students at a major southeastern university. Students were recruited from business classes and were awarded extra credit for participation.

Procedure
The computer mediated experiment was a mixed design with one factor (consequence information; present or absent) manipulated between subjects, and another factor (consumption goal; hedonic or utilitarian) manipulated within subjects. Order of presentation of the choice tasks, content of the choice tasks, and screen position of the choices were counterbalanced, resulting in 16 versions of the materials to which participants were randomly assigned. Following a practice choice task, participants were asked to imagine themselves in a