Matching Product Newness to Consumer Exploratory Buying Behavior: Strategies For Effective New Product Launch

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The topic of new product acceptance has figured prominently in the marketing literature. Yet, in a context of increasing globalization, a new challenge is to optimize launch strategies across countries. Linking consumer cultural characteristics, consumer exploratory buying behavior, and new products’ characteristics to new products’ preference data should guide managers towards optimizing these decisions. We test our hypotheses using five European countries and find an effect of the congruency between the product newness and consumer exploratory buying behavior profile, as well as an effect of the congruency between the product newness and the consumer cultural profile on new product liking.

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The topic of new product acceptance has figured prominently in the marketing literature. Understanding and predicting accurately new product acceptance has become a key success factor on today’s markets. As a consequence, innovation features as a key challenge in business research today. A plethora of studies have focused on consumer response to innovation (Hauser, Griffin and Tellis 2006). Yet, only few studies investigated the relationship between new products’ and consumers’ characteristics. Moreover, the cross-cultural dimension has become increasingly vital to companies in terms of new product diffusion (e.g. Tellis et al. 2003; Golder and Tellis 2004). This paper proposes to match elements of product newness to the existing two-dimensional conceptualization of exploratory buying behavior (see Baumgartner and Steenkamp 1996). It also intends to integrate cultural variations by testing the hypotheses in a cross-national context, using 5 countries in Europe (UK, Germany, France, Italy and Spain).

In terms of consumers’ personality characteristics, researchers quickly recognized the applicability of exploratory behaviors to important areas of consumer behavior. Activities such as innovative behavior in product purchase, variety seeking, brand switching, recreational shopping, and information search are manifestations of exploratory tendencies in the consumer buying process (Baumgartner and Steenkamp 1996). Yet, Baumgartner and Steenkamp (1996) proposed that a two-factor conceptualization of exploratory consumer buying behavior might be more useful than the initial seven facets. Following this observation, they developed the Exploratory Buying Behavior Tendency (EBBT) scale, with two forms of exploratory buying behavior: Exploratory Acquisition of Products (EAP) and Exploratory Information Seeking (EIS) based on the distinction between sensory and cognitive stimulation seeking.

In terms of new product characteristics, past studies have shown that perceived product newness can have a major impact on the product’s diffusion and adoption (Gatignon & Robertson 1991; Rogers 1976). Yet, more recently, Calantone and colleagues (2006) concluded that product innovativeness per se has no direct effect on new product profitability and meta-analyses results (Szymaniak, Kroff and Troy 2007; Montoya-Weiss and Calantone 1994; Henard and Szymanski 2001) revealed that newness and performance are positively related but that the average bivariate effect remains small to moderate in size. In terms of marketing research, it appears relevant to study the effect of variables associated to product newness rather than the effect of newness in itself. Following this observation, recent research has focused on more specific product characteristics associated to product newness: e.g. complexity (Mukherjee and Hoyer 2001), uncertainty related to really new products (Hoeffler 2003), and familiarity with the product category (Dahl and Hoeffler 2004). We propose to follow Berlyne’s theory of collative variables, stating that newness is accompanied by other properties, closely related, but sufficiently distinct from newness itself to produce their own influence on the direction of stimulus selection or the strength of any stimulus selection process (Berlyne, 1960, 1966). We argue product newness can create sensory or cognitive stimulation depending on its accompanying variables. Namely, we propose that variables such as change or surprise produce sensory stimulation (further labeled sensory newness). In contrast, variables such as complexity or puzzlingness produce cognitive stimulation (further labeled cognitive newness).

What are the likely effects of the product newness on liking? And more importantly, what are the likely interactions between product newness, consumer exploratory behavior and cultural characteristics? Drawing a parallel between the consumer exploratory buying behavior (EAP and EIS) and the product profile (sensory and cognitive newness); we expect congruency between the product profile and the consumer profile to yield higher product liking than incongruency between the two. More specifically, we expect (1) consumers with high (low) EAP to show higher (lower) liking for sensory new products as sensory newness should satisfy sensory stimulation seeking. Similarly, we expect (2) consumers with high (low) EIS to show higher (lower) liking for cognitive new products as cognitive newness should satisfy cognitive stimulation seeking. At the cultural level, individualism and uncertainty avoidance have been related to consumer innovativeness. We expect (3) consumers in countries with high (low) individualism to show higher (lower) liking for sensory new products as they are ‘different’ from existing ones; and (4) consumers in countries with high (low) uncertainty avoidance to show lower (higher) liking for cognitive new products as they comprise more uncertainty.

The results from a large study conducted in 5 European countries (i.e. UK, Germany, France, Italy and Spain) with 150 to 180 respondents per country evaluating 36 new products each (in the detergent category) partially supported our predictions. The analysis was conducted using a three-level hierarchical linear model with product characteristics (Level 1), personality characteristics (Level 2) and cultural characteristics (Level 3). Multigroup confirmatory factor analysis (Steenkamp and Baumgartner 1998; Byrne 1998) was previously performed to address the issue of measurement invariance across countries.

Specifically, in terms of main effects, we find a positive effect of consumer exploratory behavior on new product liking (EAP and EIS), a positive effect of sensory newness and negative effect of cognitive newness on new product liking. Moreover, we find that the negative effect of product cognitive newness on liking increases as EIS increases and that the positive effect of sensory newness decreases as EAP increases. This suggests that incongruity between the personality and product profile yields higher product liking. In terms of cultural characteristics, we find that the negative effect of product cognitive newness on liking is reinforced as uncertainty avoidance increases and that the positive effect of sensory newness on liking is emphasized as individualism increases. Hence we find that congruity between the culture and product profile yields higher product liking. In conclusion, our results show that personality and cultural characteristics are not a negligible source of variation in new product evaluation and new product liking in particular. Product characteristics should not be dissociated from personality and cultural characteristics when evaluating new product liking.