Perceived Quality, Packaging and Self-Image Congruence: an Application in the Cosmetics Market

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While recent market analyst reports point out that consumer perception of packaging, perceived quality and self-concept are important issues with the cosmetics market, yet no empirical research exists to confirm their effects. Using data from 193 female brand users, the paper fills this gap and demonstrates that perceived quality, packaging perceptions and self-image congruence are related to satisfaction which in turn is related to loyalty and word of mouth intentions. Also, perceptions of packaging and self-image congruence directly impact loyalty and word of mouth whereas perceived quality only directly impacts word of mouth intentions. Paper discusses implications for brand managers.

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comparisons were among attractive attributes, while the focal option was more likely to be rejected when the comparisons were among unattractive attributes. Besides, participants’ willingness to pay increased (decreased) when comparison was among attractive (unattractive) attributes, as option number went from 2 to 4. We showed that the direction-of-comparison effect was augmented, rather than attenuated, in multiple-option comparison. The augmentation reflected in choice and willingness to pay.

The augmented direction-of-comparison effect in multiple-option settings has two implications. First, the focal option benefits from comparison among attractive alternatives. Second, the focal option disadvantages when comparison is among unattractive alternatives. We refer to the former as beneficial effect, and the later as disadvantage effect. If the augmentation show in study 1 is robust, we expect that the beneficial effect helps focal option, even when the focal option is objectively the weakest options among all alternatives. On the other hand, the disadvantage effect harms the focal option, even when it is the strongest among all options. For example, consider a house with designer furniture versus a house with good location. Although designer furniture is attractive, it is not as important as good location. A house with designer furniture is referred as weak option in this example. When the house with designer furniture becomes the focal option, it is not necessarily appealing because people compare it with the other house in good location. But as the number of option increases, the direction-of-comparison effect predicts that the house with designer furniture, which is the weak focal option, enjoys the beneficial effect and would be well chosen. We conducted experiment 2 to test the prediction that the beneficiary effect promotes a focal option, to the extent that it can help a weak alternative. We selected a number of house attributes from pretests and composed the focal option with the weaker attributes. In experiment 2, our participants were required to compare either 2, 3 or 4 houses and indicated which house they would like to visit most. In supportive of this prediction, we demonstrated that the focal option was mostly chosen among all alternatives, despite that it was the weak option.

The second implication from the augmented direction-of-comparison effect is the disadvantage effect. The disadvantage effect transpires when people compare across unattractive attribute. We reason that the disadvantage effect hurts the focal option, even when it is the relatively stronger alternative. We tested the disadvantage effect in study 3. Similarly, we had pretests and composed the focal option with minor negative attributes (e.g. poor pool maintenance in a condominium), whereas the other options had major negative attributes (e.g. the rooms are too small). The participants compared either 2, 3 or 4 options and indicated which condominium they would like to visit. Consistent with our prediction, the focal option lost its choice share significantly as the number of option increased, despite that it was the strongest among all alternatives.

We offer an explanation for the augmented direction-of-comparison effect. The direction-of-comparison effect happens because of the differential attention received by the focal option to the non-focal option. As the number of option increases, people still pay more attention to the focal option, and the non-focal options share the rest of attention. Therefore, the differential attention paid to the focal option relative to the each non-focal option increases. As a result, the direction-of-comparison effect enlarges when people have more options to choose from. The differential attention contributes to the beneficiary effect shown in experiment 2 and the disadvantage effect shown in experiment 3. To test this explanation and replicate findings from previous experiments, we conducted a field study. In this study, the participants compared attractive hampers by sequentially reading the hampers in a booklet. The results showed that people took the last hamper as the focal option, and the choice share of the weak hamper increased significantly when it was presented last. On the other hand, the participants who flipped the booklet back and forth paid no differential attention. Hence, there was no beneficiary effect for the weak hamper when it was presented at last.

References

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The study aims to explore the impact of perceived quality, perceptions of packaging and self-image congruence on customer satisfaction, loyalty and word of mouth intentions. The study specifically focuses on make-up cosmetics, and in particular cosmetics choices made by women, for which no previous research exists. The market analyst, Key Note (2007), highlights a number of important
trends in the market including the dominance of global brands enjoying strong brand awareness and loyalty levels with a need to strike a balance between persuading consumers to try new products and retaining brand loyalty to existing favourites. Also, the main users tend to be the younger people (mainly females) showing a heightened sense of pride in the way they look. Also, most customers recognize the potential of cosmetic products in making a positive contribution towards their self images. Moreover, usage of premium cosmetics, particularly those bearing the name of international fashion houses, leads to the development of feel good factor supported by high prices and exclusivity offered by the brands (Key Note, 2007). Despite the significance of perceived quality, packaging and self-concept, no previous research has investigated their effects on important performance measures such as satisfaction, loyalty and word of mouth within this crucial market. The paper aims to fill these gaps in the literature.

Following Zeithaml (1988), we consider perceived quality (PQ) to be a consumer’s judgment about a product/brand overall excellence or superiority (Zeithaml, 1988). PQ is an important subjective attribute (e.g., Grapentine, 1995) and an information cue (Lee and Lou, 1996; Monroe and Dodds, 1988). As perceptions of quality go up, consumers can better recognize the differentiation and superiority of the brand through their long term personal experiences with the brand (Llusar; 2001; Yoo et al., 2000). Such perceptions help develop strong, favourable and unique brand associations in consumer minds (Keller, 2001). Prior research has reported PQ to be an important antecedent of satisfaction (e.g., Cronin and Taylor, 1992). Moreover, Oliver (1999) argues that consumer perceptions of product quality and/or product superiority can generate a strong sense of brand-directed preference leading to the development of loyalty. Hence, we expect direct links from PQ to satisfaction, loyalty and word of mouth intentions.

The cosmetic industry is highly competitive and product innovation is the key to success as the product life cycle tends to be short (Kumar et al., 2006; Underwood, 1999, 2003). The emphasis is on creating differentiation at the point of sale through packaging (Doyle 2004). Bottles are designed that are softer to the touch, have sleeker and sexier shapes, are easier to hold and less likely to break. Moreover, products have to offer added value with dual functionality and special visual effects to stand out and get attention from the consumer (Doyle, 2004). To achieve this effect, the industry relies on consumers’ perceptions of beauty and the recent developments in new technology have allowed firms to create a wide scheme of colours and packs (Kumar et al., 2006; Silayoi and Speece, 2007, Underwood et al., 2001). We argue that positive evaluations of packaging can help in meeting customer expectations and hence influence satisfaction judgements, loyalty levels and word of mouth intentions.

A review of literature suggests that consumers can express themselves by choosing brands whose personalities are perceived to be congruent with their own personalities (Aaker, 1999; Sirgy 1997). Moreover, during the consumption process, a product-user image interacts with the consumers’ self concept generating a subjective experience referred to as self-image congruence (Sirgy, et al. 1997). A number of studies have established the effects of self-image congruence on attitudes, brand preference, purchase intentions, customer satisfaction and word of mouth intentions (Ericksen, 1996; Sirgy et al., 1997, 1991; reference to authors’ prior published work). While the effects of self-image congruence have been tested for different product categories (e.g., automobiles, mobile phones, athletic shoes, jewellery), these have never been tested within the cosmetics market. We expect self image congruence to be related to satisfaction, loyalty and word of mouth intentions. Moreover, as per prior research, we also expect direct links from satisfaction to loyalty (e.g., Oliva et al. 1992; Selnes 1993 and from loyalty to word of mouth (Dick and Basu 1994).

Data was obtained from female cosmetic users in a leading metropolitan city in the UK using self-administered questionnaire, which contained measures adopted from previous research. After the pilot testing, 300 questionnaires were distributed among users of cosmetics make-up brands who expressed their willingness to participate using a mall intercept procedure. The procedure resulted in 193 usable questionnaires. This was followed by exploratory factor analysis, Pearson correlation tests and quantification of scale reliabilities via alpha scores. Three multiple regressions were computed. The first one revealed high and significant beta weights for PQ (β=0.383, p<0.000, t value=6.374), packaging (β=0.296, p<0.000, t value =4.6702) and low but significant beta for self-congruence (β =0.166, p<0.042, t value=2.046) with the independent variables accounting for about 47% of the variance in satisfaction scores (adjusted R square=0.465, F statistic 56.714). The second revealed high and significant beta weights for satisfaction (β=0.554, p<0.000, t value=6.176), packaging (β=0.235, p<0.008, t value =4.6702) and low but significant beta for self-congruence (β=0.149, p<0.014, t value=2.478) with the independent variables accounting for about 48% of the variance in loyalty scores (adjusted R square=0.481, F statistic 45.408). However, the PQ to loyalty link was neither high nor significant. Results for final equation revealed high and significant beta weights for satisfaction (β=0.432, p<0.000, t value=6.506) and PQ (β=0.291, p<0.000, t value=4.530) and low and significant beta weights for loyalty (β=0.165, p<0.001, t value=3.363) and packaging (β=0.187, p<0.002, t value =3.082) with the independent variables accounting for about 88% of the variance in word of mouth scores (adjusted R square=0.684, F statistic 84.062). Hence, all except quality to loyalty and self-image to word of mouth links were supported. Given that no prior research has investigated the effects perceived quality, packaging perceptions, self-image congruence on satisfaction, loyalty and word of mouth intentions, we believe our study will go some way in helping brand managers developing a better understanding of consumer behavior within the rapidly growing and multimillion pounds cosmetic and personal care industry (Chandler 1995; Wurdinger 1996).

References