Social Influence on Choice Under Uncertainty

Young Eun Huh, Carnegie Mellon University, USA
Joachim Vosgerau, Carnegie Mellon University, USA
Carey Morewedge, Carnegie Mellon University, USA

One cue that decision-makers often use is the prior choice of another decision-maker. We show that other’s choices act as default-options which cause choice mimicry under uncertainty. Furthermore, we demonstrate that informational influence and social conformity cannot account for the observed choice mimicry under uncertainty.

[to cite]:

[url]:
http://www.acrwebsite.org/volumes/16245/volumes/v38/NA-38

[copyright notice]:
This work is copyrighted by The Association for Consumer Research. For permission to copy or use this work in whole or in part, please contact the Copyright Clearance Center at http://www.copyright.com/.
Beyond Informational and Normative Influence: Conformity in Consumer Decision Making
Young Eun Huh, Carnegie Mellon University, USA
Joachim Vosgerau, Carnegie Mellon University, USA

EXTENDED ABSTRACTS

“Social Influence on Choice under Uncertainty”
Young Eun Huh, Carnegie Mellon University, USA
Joachim Vosgerau, Carnegie Mellon University, USA
Carey Morewedge, Carnegie Mellon University, USA

Choices are often made under uncertainty. While traveling abroad, for example, consumers often must choose among alternatives with information provided in a foreign unfamiliar language. Under such circumstances, one cue that decision-makers use is the choice of another decision-maker (e.g. a stranger at another table). In this research, we show that this cue is disproportionately weighted under conditions of uncertainty and investigate the underlying mechanisms of choice mimicry under uncertainty.

Social influence has been shown to play an important role in the decision making process (Childers and Rao 1992; Bearden and Etzel 1982; Campbell and Fairey 1989). The major paradigms in the social influence literature to explain social conformity have been normative influence and informational influence (Deutsch and Gerard 1955). Normative influence denotes the tendency to conform to the expectation of others. Informational influence denotes the tendency to accept information obtained from others (e.g., observation of others’ behavior) as evidence about reality. We demonstrate that neither normative nor informational influence can explain choice mimicry under uncertainty. Alternatively, we propose the ‘choice default’ account. Under uncertainty, consumers trade off the effort of making a choice with the importance of making a correct decision. When the decision is of low importance, consumers simply follow others, but when it is of high importance, they expend the effort required to make a choice.

In Study 1, we tested whether participants would follow another decision-maker’s choice under uncertainty but not under certainty. The study consists of a 2 (prior choice: prior choice vs. no prior choice, a between-subjects factor) x 2 (product type: uncertain products vs. certain products, a within-subject factor) mixed design. All participants chose one tea from a set of two Korean teas (uncertain products, as our participants could not read Korean) and one tea from a set of two English breakfast teas (certain products) as remuneration for participating in the study. In the prior choice condition, participants followed a Caucasian confederate to the next room where the confederate first chose one of the two teas (Korean tea set and English tea set) and left the room. The participant was then left alone for making her choices. In the no prior choice condition, the participant went to the next room alone and made her choices. As hypothesized, more participants (79%) chose the Korean tea that was also chosen by the confederate compared to 56% who chose this tea in the no prior choice condition (1)=4.66, p<.05. No such choice-mimicry was observed when participants chose among English teas (58% versus 51% in the control condition, (1)=3.35, ns). Participants did not appear to mimic the confederate’s choice under uncertainty because they believed that she was more knowledgeable—participants did not think that they would enjoy the Korean tea that they chose more than the Korean tea that they did not choose. However, participants thought they would enjoy the English tea that they chose more than the English tea that they did not choose. Thus, the observed choice-mimicry under uncertainty is not due to informational influence whereby participants believe that the confederate’s choice conveys information about the chosen options’ utility.

In Study 2, we tested whether choice-mimicry under uncertainty is caused by normative influence. Participants choose one tea out of two Korean teas. In the absent-after-choice condition, the confederate chose a tea and left the room before participants chose a tea. In the present-after-choice condition, the confederate chose a tea and remained in the room while the participant chose a tea. In the control condition, participants chose a tea without observing the confederate’s choice. Consistent with study 1, more participants chose the Korean tea that was also chosen by the confederate when the confederate left the room before participants made their choice (80% versus 48% in the control condition, (1)=3.86, p<.05). This choice mimicry, however, was reversed when the confederate remained in the room, as more participants chose the Korean tea that was not chosen by the confederate than in the control condition (only 17% followed the confederate’s choice, (1)=4.18, p<.05). The results rule out the normative influence account of choice mimicry, which would predict more mimicry when the chooser makes the decision in the presence of others than in private.

In Study 3, we tested the choice default account in a 2 (choice stake: high stake vs. low stake) x 2 (prior choice: prior choice vs. no prior choice) between-subjects design. All participants were asked to choose among two different brands of Korean crackers. Participants in the low stake condition were told that they could take home their choice of cracker as remuneration for participating in the study. Participants in the high stake condition were told that they had to eat the crackers while in the lab. According to the choice-default account, choice-mimicry was expected in the low-stake but not the high-stake conditions. Consistent with the previous studies, in the low-stake conditions most participants chose the crackers that the confederate had chosen (78% versus 45% in the control condition, (1)=6.36, p<.01). This choice mimicry, however, was eliminated in the high stake conditions, as participants were no more likely to follow the confederate’s choice compared to the control (41% vs. 48%, (1)=5.58, ns).

Previous literature has demonstrated choice-mimicry under uncertainty due to either informational or normative influence. The current research demonstrates that choice-mimicry can also occur because consumers treat others’ choices as defaults when they are not willing (or able) to exert mental effort to make their choice.

“Seeing Ourselves in Others: Consumer Compliance with Recommendations Made by Ambiguous Agents”
Rebecca Walker Naylor, Ohio State University, USA
Cait Poynor, University of Pittsburgh, USA
David A. Norton, University of South Carolina, USA

Consumers often seek the influence of others when making product decisions. In these cases, social influence is explained by the information provider’s expert status or the consumer’s past experience (Gershoff and Johar 2006; Gershoff, Broniarczyk, and West 2001). However, many companies now present online reviews authored by individuals with whom a target consumer has no prior relationship, and which are often posted with no identifying information other than a user name. How does social influence operate when “influencers” are poorly identified, as opposed to known to be similar or dissimilar to the self?
We propose that in the absence of other information, consumers project their own characteristics onto an ambiguous individual. We argue that such “egocentric anchoring” occurs because the self constitutes the most psychologically proximate, accessible information source (Trope, Lieberman, and Wakslak 2007, Mussweiler 2003). Thus, consumers infer that an ambiguous other will be similar to themselves. As a result, these unidentified others exert relatively strong influence on preference and choice. However, since the self is an anchor, we also show that it can be adjusted. First, self-anchor effects can be moderated by making non-self-related cognitions more accessible. Second, directly disconfirming the hypothesis of similarity can also weaken the self-anchor and lower compliance with an ambiguous reviewer.

Four studies support the egocentric anchoring account and subsequent adjustment mechanisms. In study 1, participants read either a moderately positive or moderately negative restaurant review ostensibly written by another consumer. Participants saw either (1) no information about the reviewer (ambiguous reviewer condition), (2) information about a reviewer who was similar to the average student at their university (similar reviewer condition), or (3) information about a reviewer who was different from the average student at their university (dissimilar reviewer condition). Anticipated compliance was equivalent for ambiguous and similar reviewers. However, compliance with the recommendation was significantly lower for the dissimilar reviewer compared to the other conditions. Importantly, we show that these differences in compliance are mediated by participants’ inferences of similarity to the reviewers. This pattern of effects held whether the review was moderately positive or moderately negative. Study 2 replicates this effect using a multi-product, multi-reviewer context.

Study 3 demonstrates that the egocentric anchor can be adjusted in this way, specifically, by making other-related cognitions more accessible. In this study, participants first described themselves (self prime) or the other people in the room with them (others prime). Next, participants read a restaurant review provided by one of the three types of reviewers (identical to the stimuli used in study 1). When self-related thoughts had been externally activated, there was again no difference in compliance with the recommendation between the similar and ambiguous reviewer conditions. However, when other-related thoughts had been made more acceptable, the self anchor was no longer adopted. Participants no longer assumed similarity with the ambiguous source, and, thus, were less likely to try the restaurant in the ambiguous versus similar reviewer condition.

A second way to prompt adjustment from an anchor is to directly disconfirm that the anchor provides an appropriate ground for inference-making. Study 4 shows that direct disconfirmation of the similarity hypothesis can also reduce reliance on the self-anchor. In this study, participants read reviews of an album on an online music review website, written by a similar, ambiguous, or dissimilar reviewer. Potential hypothesis-disconfirming information was given in the name of the website: www.CollegeMusic.com or www.AllMusic.com. The first website name was pretested to allow participants to believe the reviewer population was relatively homogeneous. In the homogeneous cue case, participants inferred similarity to and complied with the ambiguous reviewer at an equivalent level to the reviewer identified as similar, and more than the reviewer identified as dissimilar, suggesting reliance on the self-anchor as in prior studies. However, when participants saw the heterogeneous website name, this effect was attenuated, such that compliance was significantly higher for the identified similar reviewer than for the ambiguous and dissimilar reviewers.

In addition to providing theoretical insights regarding social influence and ambiguity, this work provides actionable advice for managers who allow consumers to post user-generated review content. Although managers of such sites may tend to err on the side of “more is better” in terms of reviewer identification, our research suggests that posting reviewer-identifying information along with a review may not be the best strategy in all cases. Rather, by constraining the amount of information a reviewer can provide, managers may be able to gain the benefits of similarity without raising the dangers associated with dissimilarity.

“Social Treatment and Its Impact on Consumer Behavior”

Monica Popa, University of Alberta, Canada
Jennifer Argo, University of Alberta, Canada

Small-talk, ridicule, compliments, or insults are all type of social treatments that consumers commonly experience. In the present research we demonstrate that receiving a social treatment from one individual has implications for how the recipient of the treatment reacts toward other people in subsequent interactions. Furthermore, we find that the outcomes of social treatment are often counterintuitive. For example, we show that ‘pay-it-forward’ (the notion that a person who is treated well by someone should be nice toward others and conversely, a person who is treated badly may treat other people badly in turn) does not always occur; in fact, consumers often behave in the opposite manner. We offer a general theoretical framework that integrates previously fragmented investigations of social treatment (e.g., flattery, Campbell and Kirmani 2000; threat, Heatherton and Vohs 2000; teasing, Keltn et al. 2001) and reformulate context-specific explanations in terms of underlying dimensions.

Two dimensions of social treatment (affiliation: friendliness vs. hostility; and relevance for self-assessment: high vs. low) are predicted to interact in influencing consumers’ behavior, and in particular consumers’ socially-elevating behavior (i.e. behavior that requires a personal sacrifice and enhances the welfare of another person by providing material or psychological benefit). Receiving friendly versus hostile treatment is hypothesized to increase, through positive affect, consumers’ likelihood to engage in socially-elevating behavior, but only when the treatment has low relevance for self-assessments. When relevance is high, social treatment’s friendliness influences both affect and perceived self-efficacy in society. Affect and social efficacy act as opposing forces, because self-efficacy in society is predicted to have a negative effect, decreasing socially-elevating behavior. Furthermore, this research argues that the role of social efficacy becomes more prominent when the salience of the need for social connectedness is increased. The proposed relationships are tested in three studies.

Study 1 used a scenario-based methodology to examine the impact of receiving a social treatment from one shopper on a consumer’s likelihood of helping another consumer pick up bags of scattered groceries. The social treatment was either compliment (friendly/high-relevance), small-talk (friendly/low-relevance), threat (hostile/high-relevance) or grumble (hostile/low-relevance). As predicted, in the case of low relevance the friendly treatment generated a higher likelihood to help than the hostile treatment. However, when social treatment was highly relevant, friendliness did not motivate consumers to be more helpful and in fact the opposite tendency was observed. Two follow-up experiments provided process evidence for affect and perceived social efficacy.

Study 2 used a field experiment to study how many people would pick up the tab for another shopper after receiving a social treatment. In the study each participant was given money to buy and consume products at a mall together with another participant (in actuality a confederate). During the purchase, the real participant received a social treatment from a customer standing behind them in the line-
up. A significantly higher percentage of participants picked up the tab for the confederate after being treated with small-talk versus grumble. However, a significantly lower percentage of participants picked up the tab after being complimented versus threatened.

In study 3, also conducted at a mall, participants first received a task which primed either the need for social connectedness or the need for independence. They then made an individual purchase and were either complimented or threatened by a customer. When receiving cash back from the vendor, participants were overpaid by $1. The dependent variable was participants’ reaction to the seller. As expected, consumers primed with social connectedness were significantly more willing to return the dollar after receiving the hostile (versus friendly) treatment. However, this effect was eliminated when the need for independence was primed.

Overall, this research extends the literature regarding social influences on consumer behavior. We show that social treatment (i.e. how the influencer treats the influenced person) is important and can have far-reaching behavioral consequences.

“Feature Similarity, Popularity, and Cultural Success”
Jonah Berger, University of Pennsylvania, USA
Eric Bradlow, University of Pennsylvania, USA
Alex Braunstein, Google, USA

Some songs become hits while others languish and some products achieve blockbuster status while others are ignored. Why do certain things become more popular than others and how might the similarity between cultural items shape their success?

Some research has considered how item characteristics affect diffusion (i.e., innovations that are easier to try are adopted faster, Rogers 1995), but these perspectives tend to treat items as independent. While they recognize that “better” items (whether functionally superior or otherwise) tend to win out, they tend to ignore how the similarity between items might shape popularity. Take the example of first names. Might the popularity of other similar names help determine how popular a given name becomes? Might the future popularity “Karen,” for example, be influenced not only by its current popularity, but also be the popularity of other names that start with a hard “K” sound, such as Carl, Katherine, and Katy?

Similar items may act as substitutes or complements. One possibility is that items with common features compete. If collective tastes are fixed (i.e., 25% of people like indie rock), then similar options being more popular should shrink the remaining audience and hurt the ability of another indie song to succeed. Alternatively, similarity to other items may help success. Exposure to a stimulus, or others choosing it, can increase liking or choice of that stimulus (i.e., same item effects, Zajonc 1968), but this increased favorability may also generalize to stimulus components (Gordon and Holyoak 1983; Monahan, Murphy, and Zajonc 2000). If that is the case, then people might prefer cultural items which share features with what they have been exposed to previously (i.e., cross item effects).

We examine cross item effects in the popularity of first names. We focus on first names for a number of reasons. First, there is relatively little influence of commercial effort (i.e., advertising) or technological advantage (names are essentially value neutral tokens). The absence of these other factors makes it easier to examine the relationship between phonetic similarity and cultural success. Second, given that people can choose whatever name they like, choice is unconstrained by producers who may have an incentive to make options similar over time (i.e., this years’ televisions tend to look like last years).

To examine our research question, we analyze 100 years of data on the popularity of every first name in the US. We break each name up into its phonetic parts (Karen=K EH R AH N), and then look at the evolution of popularity of each of the 44 phonemes over time, based on their popularity both the past year and cumulatively the over 10 years prior. We do this for the phonemes at beginning and end of names as well as internal phonemes. Importantly, our analysis parcels out direct exposure effects. Thus we look at how the number of Karen’s born one year relate to the popularity of the “K” sound the following year, outside of number of Karen’s born that next year. We then aggregate these effects across all phonemes to look at the overall pattern.

Our results (1) suggest that social influence has cross item effects and (2) demonstrates the importance of such relationships for cultural success. Across all phoneme positions the more a phoneme is used in names one year, the more popular it will be in other names the following year. This relationship also holds for cumulative popularity over the ten years prior. Not surprisingly we also find that the more popular a name is one year the more popular it will be the next, but the cross-item effects persist even when controlling for such same item effects. These cross-item effects are strongest for phonemes that begin the name, consistent with the notion that this position should receive more stress. In addition, the coefficient on the quadratic terms of past popularity are negative, suggesting that too much popularity can lead to reduce future adoption.

These findings suggest a novel way in which social influence shapes popularity. Exposure to others choices not only affects whether people adopt that thing, but may also affect whether they adopt other things with common features. This has important implications for the way culture evolves. Things not only become popular based on their own characteristics, or whether they are better or worse than competing items, but may also be shaped by whether they share common features with what is currently popular.