Contrast and Assimilation in Response to a Brand Association Prime: the Case of Cross-Category Brand Alliances
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This research focuses on individuals’ attribute inferences at exposure to a brand association prime in the form of a cross-category brand alliance. Low NFC individuals assimilate their judgments of target attributes while high NFC individuals contrast their target attribute judgments in a direction opposite to the brand partner.

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EXTENDED ABSTRACT
Recent years have witnessed a significant increase in various forms of inter-firm cooperation (e.g., joint ventures, promotional agreements, advertising brand alliances), through which firms pool resources to pursue specific market opportunities. Advertising brand alliances are appealing to firms because they lead to competitive advantages that otherwise would be beyond a company’s reach, such as access to new markets and increased demand through leveraging the strengths of two brands (Cooke and Ryan 2000; Eisenhardt and Schoonhoven 1996; Hagedoorn 1993). Little is known about the effect of these alliances on perceptions of brand attributes, or about the inferences made by individuals when primed with these associations. This work focuses on the inference processes used by individuals when they are primed with associations of brands with different memory schemas, belonging to different product categories. Examples of such alliances are between Hewlett Packard and Starbucks, Tide and Oshkosh, Whirlpool and Day Runner, Nike and iPod.

Although research in the area of brand extensions and comparative advertising has previously investigated consumer brand inference, the present work focuses on the inferences that take place when individuals are exposed to an associative prime featuring different brands, with different memory associations (unlike brand extension research), belonging to different product categories (unlike comparative advertising), and in the absence of an explicit comparative claim.

Context plays an important role in a variety of consumer judgments. Context effects have been examined in the areas of consumer choice (Huber, Payne, and Puto 1982; Huber and Puto 1983; Simonson and Tversky 1992), comparative advertising (Manning et al. 2001; Rose et al. 1993), product judgment (Janiszewski, Silk, and Cooke 2003), and product assortment (Chernev 2003). Two types of context effects on people’s judgment of a stimulus have been reliably demonstrated in the marketing and social sciences literature: assimilation and contrast. Assimilation is known to occur when judgments of a stimulus are displaced toward a contextual stimulus and refers to a positive relation between the value assigned to the contextual stimulus and the value attributed to the target. On the other hand, contrast occurs when judgments of a stimulus are displaced away from the contextual stimulus, and refers to a negative relation between the values assigned to the contextual stimulus and the target.

Our research shows that each brand partner in a cross-category brand alliance creates a context that is used as an anchor for judgments of the other brand attributes, and we provide evidence that the inference processes that occur are moderated by individual differences in information processing strategy, associated with differences in need for cognition (NFC). As such, allied brand attributes may produce assimilative anchor effects that move perceptions toward the ally’s attribute value, or the anchors may serve as standards of comparison that produce contrast and move perceptions away from the ally’s attribute value (Wedell, Hicklin, and Smarandescu 2007).

Study 1 was a 2 (alliance present/ absent) x 2 (high/ low NFC, based on a median split) between-subjects design, and examined how priming a brand association influences judgments of non-alignable brand attributes. We found that low and high NFC individuals adopt different inference making strategies when they are primed with a brand alliance. The effects are driven by the more extreme, and thus salient, user ratings provided for the contextual brand. Data indicate that low NFC individuals used the non-alignable information provided about the contextual brand as an anchor for their judgments of the target brand attributes. On the other hand, high NFC individuals partialled out the non-alignable information given about the contextual brand from their judgment of the target brand on a salient attribute and adjusted their evaluations of this target attribute in a direction opposite to the contextual brand.

Study 2 was a 3 (no alliance control/ low load alliance/ high load alliance) x 2 (high/ low NFC, based on a median split) between-subjects experimental design, and investigated whether the effects of a brand alliance prime on perceptions of a target non-alignable attribute are moderated by individuals’ ability (manipulated by cognitive load) and processing motivation (measured by NFC) to process the alliance information. We found that individuals’ responses to cross-category brand alliances are sensitive to situational and individual difference factors. Low NFC individuals assimilated their judgments in the direction of the contextual brand irrespective of cognitive load. This result is in line with Martin, Setu, and Crelia (1990) and provides support that assimilation is the default judgment for low NFC. Responses of high NFC individuals were influenced by the amount of cognitive resources they had available at brand alliance encoding. In conditions of limited cognitive ability, high NFC individuals formed unbiased judgments that were not affected by the contextual partner. However, when they had the ability to correct their initial judgment for the perceived bias introduced by presence of the alliance partner they over-adjusted their judgment of the target attribute in a direction opposite to the contextual brand ally, a finding supporting Wegener and Petty’s (1993) flexible correction model. One key aspect of the flexible correction model is that it assumes that corrections are aimed at removing perceived rather than actual bias. Hence, high NFC individuals made unbiased judgments under high load, but corrected their judgments for the perceived bias introduced by the contextual brand when they had extra cognitive resources.

Finally, results of study 2 suggest that given enough cognitive resources, high NFC individuals engage in correction at the stage of brand alliance encoding, through a memory updating mechanism and not at the judgment stage. This provides evidence that context effects observed in brand alliances are due to background context and not to the effect of the recent context as observed in classic priming studies.

REFERENCES

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