Accentuate the Positive: How Identity Affects Customer Satisfaction

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We examine how identity-based marketing moderates the impact of product experience on customer satisfaction. The results of six experiments show that identity increases satisfaction with a positive but not negative experience, and perceived product performance mediates this interactive effect. We also test boundary conditions on the phenomenon.

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EXTENDED ABSTRACT
 Consumers use products to create and communicate their identities (Kleine, Kleine, and Allen 1995; Sirgy 1982). As self-relevant social categories (e.g., male, college student), identities can appropriate associations belonging to brands and form connections between brands and consumer self-concepts (Escalas and Bettman 2003). Past research has shown that salient identities guide thinking, judgment, and behavior (Tajfel and Turner 1979), including brand preference (Escalas and Bettman 2005) and choice (Berger and Heath 2007). Compared to analytic thinking, identity-driven thinking leads to judgment that resists change (Bolton and Reed 2004). Surprisingly, prior research has not yet examined the robustness of identity-driven judgment to direct product experience—an issue that Swaminathan, Page, and Gurhan-Canli (2007) exhort academics to investigate. Specifically, the present research asks: How will identity-based thinking affect (dis)satisfaction with an experience?

Research in the disconfirmation paradigm of product satisfaction suggests that post-choice satisfaction is based on the performance of the product relative to a comparison standard, typically, pre-choice expectations (e.g., Cadotte, Woodruff, and Jenkins 1987; Oliver 1989). That is, performance above (below) expectations leads to satisfaction (dissatisfaction). Prior research has also provided evidence that cognitive cues, such as brand name (Richardson, Dick and Jain 1994) and product category (Stayman, Alden, and Smith 1992), can alter satisfaction. For example, the match/mismatch between expectations engendered by product category and product taste (in the fruit juice category) influenced satisfaction, independent of product taste (Stayman et al. 1992).

While brand and category labels are cognitive cues that influence evaluations through expectations, we argue that identity is a motivational cue that will operate primarily through performance perceptions. Prior research (Oyserman 2009) suggests that consuming identity-linked products imbues choice with more meaning, that is, expressive rather than utilitarian. Thus, a positive experience with the product will enable identity-primed consumer to enjoy both the expressive and utilitarian “components” of the product, resulting in greater satisfaction compared to non id-primed consumers who will avail only of the utilitarian element of product consumption. In contrast, a negative experience fails to deliver on functionality but also denies identity-expression to identity-primed consumers; if so, then identity-priming may exacerbate dissatisfaction following a negative experience. However, Oyserman (2009) proposes an opposite effect suggesting when products are identity-congruent they are preferred despite negative performance: “once a product is identity-congruent, it becomes what ‘we’ use, separate from utilitarian concerns”. Given these two opposing effects, no net effect of identity on satisfaction with a negative experience may emerge.

Hypothesis 1: Identity-based marketing will moderate the impact of product experience on customer satisfaction such that a) customers will be more satisfied following a positive experience when the product primes identity (versus not); and b) dissatisfaction with a negative experience will not differ as a function of identity.

In contrast to category schema and brand names which are cognitive cues that evoke specific product expectations, identity is a motivational cue. Thus, the impact of identity on satisfaction is posited to occur via performance perceptions rather than expectations. That is, identity-based thinking will lead consumers to perceive performance as more superior when positive. Inasmuch as negative experience is unambiguously inconsistent with identity, then no identity-driven ‘bias’ is expected to emerge for a negative experience.

Hypothesis 2: Performance perceptions will mediate the effects of identity and experience on satisfaction.

Because the positive experience hypothesis is primarily driven by the motivational element of using the identity-linked product, we expect this effect to manifest only when consumers feel comfortable expressing or using their identity-driven interpretation of product performance. Specifically, we expect the effect posited in H1a to be stronger when consumption is either private or in the company of others who share the same identity (versus others who do not share the identity or who are of unknown identity). That is, identity enhances satisfaction with positive experiences when the setting favors identity-expression; otherwise, identity effects will not emerge.

Hypothesis 3: Identity effects on satisfaction with a positive experience will emerge when consumption is private or the audience shares the same identity (vs. unknown or different).

Six experiments were conducted to investigate these hypotheses. Across all experiments, identity was primed (vs. not) via an advertisement. Participants were then asked to imagine themselves as a customer and reported expectations. Participants then experienced (either real or imagined) the product, and experience valence was manipulated (along with other factors germane to hypotheses). After experience, satisfaction and perceived product performance were measured.

Study 1 examined real experience. Analyses revealed a significant identity by experience interaction on customer satisfaction ($F (1, 68) = 4.94, p < .05$) such that identity increases satisfaction with a positive but not negative experience. Study 2 replicated this interaction for an imagined product experience ($F (1,159) = 6.2, p = .01$) and demonstrated mediation by perceived product performance. These results support H1 and H2.

Studies 3 and 4 test boundary conditions on the phenomenon. Specifically, the identity effect was enhanced i) for private (vs. public-identity unknown) consumption ($F (1,160) = 5.09, p < .05$) and ii) when the purchase decision was made by another (vs. self) ($F (1,52) = 9.80, p < .01$). Finally, studies 5 and 6 test generalizability of our findings to i) another identity and to ii) service recovery (vs. a negative experience). (Details omitted for brevity’s sake.) These results support H1—H3.

Together, these findings make four contributions. First, prior research has tended to investigate identity effects on judgment and choice and has not, to our knowledge, examined identity effects on satisfaction. We find that identity effects emerge for positive experience but do not emerge for negative experience—suggesting an important constraint on the ‘power’ of identity posited in prior research.
Second, our results point to mediation by performance perceptions. That is, identity-based thinking influences satisfaction through motivated interpretation of the experience (versus expectations). Third, our research identifies a boundary condition for the positive effects of identity on satisfaction: private or public consumption in which identity-expression is not constrained. Finally, these findings contribute to the satisfaction literature by investigating the role of identity in consumption and as a driver of customer satisfaction.

REFERENCES