New Perspectives on Symbolic Brands and Reference Groups
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New Perspectives on Symbolic Brands and Reference Groups
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Paper #1: Connecting with Celebrities: The Therapeutic Function of Celebrity Endorsement
Jennifer Edson Escalas, Vanderbilt University, USA
James R. Bettman, Duke University, USA

Paper #2: Brand-Tourists or Brand-Immigrants? How New Lower-Status Consumers Dilute or Enhance the Image of Symbolic Brands
Silvia Bellezza, Harvard Business School, USA
Anat Keinan, Harvard Business School, USA

Paper #3: Brand Dilution: The Impact of the User of Counterfeits on Genuine Brand Perceptions and the Moderating Role of Social Class
Nelson Amaral, University of Minnesota, USA
Barbara Loken, University of Minnesota, USA

Paper #4: When ‘Your Brand’ Changes the Terms of the Relationship: Vicarious Dissonance in the Context of Brand Attachment
Eda Sayin, Koc University, Turkey
Nilufer Aydinoglu, Koc University, Turkey
Zeynep Gurhan-Canli, Koc University, Turkey

SESSION OVERVIEW
Consumers use symbolic products and brands to express who they are and to make inferences about the identities of others (Escalas and Bettman 2005). Symbolic brands are markers of in-group identity and signal membership to a specific brand community. The dynamic group of users of the brand shapes the associations and attitudes that consumers hold with respect to their symbolic brands (Berger and Heath 2007; White and Dahl 2006). The papers in this session examine the roles of brands as symbols and means of self-expression for consumers, as individuals and as members of specific in-groups.

Besides contributing to the main conference theme of appreciating diversity by providing novel theoretical insights into the particular domain of symbolic brands, the proposed session contributes to the understanding of several topics that are of great interest to ACR conference attendees, including conspicuous consumption, brand attachment, brand extensions and dilution, and in-group and out-group dynamics.

In the first paper, Escalas and Bettman propose that consumers appropriate brand symbolism that comes from celebrity endorsement to construct and communicate their self-concepts and that consumers with compromised identities look to celebrities to a greater extent than those with less insecurity. Across three studies, the authors demonstrate that consumers are more likely to look to celebrities for meaning when their self-esteem is threatened (1), have low levels of social complexity (2), and are under high life stress (3).

The second paper by Bellezza and Keinan examines how current users of symbolic brands react to new lower-status users of the brand. Contrary to the shared notion that lower-status consumers are by definition a threat to the brand, five lab and field studies demonstrate the conditions under which lower-status consumers enhance rather than dilute the brand image. This research shows that positive brand enhancement is mediated by the impact on the pride of current users and moderated by self-brand connection level.

In the third paper, Amaral and Loken investigate brand dilution for prestige brands and the moderating role of the users’ group social class. In four studies, the authors examine the effects of using counterfeit luxury products on the perceptions of observers regarding the genuine brand. Results show more favorable beliefs toward and attitudes regarding prestige when the counterfeit product is used by an in-group (versus an out-group) social class member.

Finally, the fourth paper by Sayin, Aydinoglu and Gurhan-Canli examines how consumers’ evaluations of incongruent brand extensions differ depending on the level of attachment to the symbolic brand. Building on vicarious dissonance theory in social psychology, this research shows in a series of studies employing symbolic brands that strong consumer-brand attachment leads to vicarious dissonance and can positively affect consumer attitudes toward the brand extension and the product category.

All speakers (Escalas, Bellezza, Amaral, Sayin; indicated by asterisk below) have agreed to serve if the proposal is accepted.

Connecting with Celebrities: The Therapeutic Function of Celebrity Endorsement

EXTENDED ABSTRACT
With the rise of social media and reality television, some refer to our times as the social era of celebrity (adly.com). Given the prevalence of celebrity endorsements, it is important to understand their effects. We propose that consumers appropriate brand symbolism that comes from celebrity endorsement to construct and communicate their self-concepts and that consumers with compromised identities look to celebrities to a greater extent than those with less insecurity. Three studies show that consumers whose identities are compromised are more likely to look to celebrities for meaning: the effect of celebrity endorsement on self-brand connections is augmented when consumers’ self-esteem is threatened (study 1), for consumers with low levels of social complexity (study 2), and for consumers who are experiencing life stress (study 3).

McCranck (1986) asserts that brand meaning originates in the culturally constituted world, moving into goods via the fashion system, word of mouth, reference groups, and, importantly for our purposes, celebrities. A celebrity endorser may provide a bundle of cultural meanings that becomes associated with the brands s/he endorses. Meaning moves to consumers as they construct their identities through brand choices based on congruency between brand meaning and desired self-image. Thus, the meaning and value of a brand is not just its ability to express the self, but also its role in helping consumers create and build their self-identities (McCranck 1986). Additionally, research has shown that source congruence, that is, the match between the celebrity’s image and the brand’s image, is an important influence on brand beliefs and attitudes under conditions of high involvement/elaboration (Kirmani and Shiv 1998).

In our research, we examine the therapeutic function of celebrity as a source of meaning in modern consumer culture. We propose that celebrities play the role of modern heroes, where heroes have historically helped people make sense of their lives and form connections with others (Campbell [1949] 2008). Although this may be true for society in general, it is particularly relevant for individuals with compromised identities. When consumers’ have a compromised identity, in response to stressful events, life changes, lack of a complex social network, or some other self-esteem threat, they are motivated to repair their self-identity (Leary et al. 1995). We argue that
these vulnerable consumers are more likely to look to modern heroes (celebrities) to make sense of who they are and their role in society. Our assertion that consumers with compromised identities seek meaning from celebrities is supported by research into why some people become more obsessive about celebrities in general. Some social psychological analyses link celebrity worship with shyness, loneliness, lack of cognitive flexibility, fantasy proneness, and substandard mental health (e.g., Maltby et al. 2006). A compromised identity also may lead to obsession with celebrities that enables such individuals to establish an identity and sense of fulfillment. In this research tradition, celebrities have a therapeutic function; people look to celebrities to repair their compromised identity. Thus, we expect to find that consumers with greater active self-concept concerns or insecurities (i.e., more compromised identities) will be more likely to look to celebrities for meaning in the consumption domain, augmenting the effects of celebrity endorsement.

In study 1, we found that a compromised identity augments the influence of celebrity endorsement on self-brand connections by threatening self-esteem. We presented participants with an article criticizing the US, which threatened the self-esteem of those participants who had a high US national identity. We found a significant interaction of self-esteem threat by celebrity aspiration level ($F(1, 277) = 4.07, p < .05$). People whose self-esteem had been threatened formed connections to brands that were endorsed by celebrities that they aspired to be like. They also rejected brands that were endorsed by celebrities with images that did not match their desired self-image. Participants whose self-esteem was not threatened did not form differential self-brand connections based on celebrity aspiration level.

Study 2 examined a second source of compromised identity, social complexity, defined as joining and maintaining membership in diverse groups. By providing social support, social complexity provides a buffering effect against stress and loneliness and enhances personal and collective self-esteem. In this study, we found a significant three-way interaction of social complexity, source congruency, and participant congruence on self-brand connections ($F(1, 109) = 5.47, p < .05$). Consumers who were not socially complex (thus, have compromised identities) looked to celebrities for meaning more than consumers who had highly complex social networks. This effect was augmented by source congruence (that is, the celebrity image matches the brand image, Kirmani and Shiv 1998) and consumer congruence (the consumer’s self-image matches the brand image – in this study, athletic watches).

Study 3 examined yet a third vulnerability for consumers’ personal identity: life stressors. As people deal with loss of a spouse, a job, or go through other periods of stress, they are often in a transitional or liminal state with regards to their self-identity. Here, we found a significant three way interaction of life stressors, source congruency, and participant congruence on self-brand connections ($F(1, 335) = 6.09, p = .01$): consumers whose identities are compromised by dealing with stress in their lives look to celebrities for meaning more than consumers who have fewer life stressors. This effect is also augmented by source congruence and consumer congruence (in this study – a Syrah wine).

In sum, our studies show celebrity plays a therapeutic function for consumers in our culture, with consumers with compromised identities being more likely to look to celebrity endorsers as a source of meaning. We find this effect whether we threaten self-esteem, measure social complexity, or measure the number of life stressors present in consumers’ lives. In all three cases, the effect of celebrity endorsement on self-brand connections is stronger, compared to consumers who do not have similarly compromised identities.

**Brand-Tourists or Brand-Immigrants? How New Lower-Status Consumers Dilute or Enhance the Image of Symbolic Brands**

**EXTENDED ABSTRACT**

There is an inherent trade-off in managing symbolic and luxury brands. Brand managers need to generate growth by extending the customer base to new segments and new markets; yet, this increased popularity and prevalence can paradoxically hurt the brand and threaten its symbolic value. Indeed, marketing research warns managers of brand dilution risks (Loken and Roedder John 2009). Contrary to the shared view that new lower-status consumers are a threat to symbolic brands, we investigate the conditions under which new lower-status users and downward brand extensions can enhance rather than dilute the image of the brand.

We introduce a distinction between two types of new consumers based on how they are perceived by current brand users. We define “brand immigrants” as those who are perceived by current brand users to claim “in-group status” they do not fully deserve (i.e., consider themselves as part of the in-group of brand users), and define “brand tourists” as those who buy the new branded products but do not claim any in-group membership (i.e., do not claim to be part of the brand users’ in-group). We propose that new consumers who are perceived by the current users as claiming but not fully deserving in-group status (brand immigrants) will have a negative impact on the brand. However, when these new consumers are not perceived to claim membership status, but just show their admiration for the brand (brand tourists), they will not dilute the image but rather enhance the symbolic value of the brand.

These predictions build on research examining attitudes toward out-groups (Berger and Heath 2007; White and Dahl 2006) and immigration (Lee and Fiske 2006). Immigrants are often treated with hostility by national residents due to economic and symbolic threats. Similarly, in the context of symbolic brands, we predict that brand immigrants can threaten the exclusivity of the brand. In contrast, tourists, who do not demand any privileges or citizenship rights, are often welcomed and encouraged to visit host countries. In a pilot study with 210 American citizens, we confirm that citizens hold more favorable attitudes towards tourists than towards immigrants. Tourists boost the pride of citizens. Likewise, brand tourists, as fans of the brand, are expected to have a positive effect on the symbolic value of the brand and the pride of current customers.

Five lab and field studies explore the responses of current symbolic and luxury brand consumers to new customers and new brand extensions. To ensure high external validity of our findings, all our studies examine the reactions of real consumers to brands they actually own or use, and are based on real branding dilemmas and brand extension scenarios. We explore diverse consumer populations and symbolic brands representing a wide variety of ways to obtain in-group status, such as monetary investment and product knowledge (owners of Ferrari cars or luxury bags), passing admission tests (students at Harvard University), or even training for an activity (yoga practitioners who wear Lululemon, or participants of the “Tough Mudder” race).

We demonstrate that the negative responses to brand immigrants and positive responses to brand tourists are mediated by feelings of pride and moderated by brand ownership and level of self-brand connection (Escalas and Bettman 2005).

Study 1a examines the responses of Harvard Undergraduates to a Harvard part-time online undergraduate program. We manipulate the description of the part-time students between-subjects in three conditions by providing testimonials claiming in-group status (brand
immigrants), testimonials not claiming membership (brand tourists), or no testimonials at all (control condition). We find that Harvard students have positive reactions when part-time students are perceived as brand tourists and that pride mediates the reactions.

In Study 1b, we recruited owners of Prada and Marc Jacobs’s products and followed the same experimental paradigm of study 1a (i.e., description of new lower-status consumers of the brand). We find that the prestige image of the brand is significantly higher in the brand tourist condition than in the control and brand immigrant conditions.

Study 2 examines the responses of participants of the endurance run “Tough Mudder.” We test how participants react to offering non-participants the opportunity to buy a ticket to watch the run and take part in the festivities. We describe these non-participants as brand tourists or immigrants. We find that white brand immigrants are perceived as a threat to the symbolic value of the brand, tourists reinforce and enhance the brand’s desirability and status. This effect is mediated by the impact on pride and it moderated by level of self-brand connection.

Study 3 investigates how and where the product is being used by examining Ferrari car owners’ reactions to Ferrari car renters. We find that owners react negatively when renters intend to drive the car on the streets of Miami and could be mistaken for real owners, but react positively when the renters’ intention is to experience the car on a Miami racing track.

Study 4 identifies boundary conditions for the brand tourism effect by comparing the responses of owners of a symbolic (Lululemon) vs. non-symbolic (Gap) brand and investigate yet another way of depicting brand tourists and immigrants by manipulating the ability and the potential of the new consumer to claim in-group status (i.e., a toddler vs. an adult). We demonstrate that while Lululemon owners are very sensitive to non-members’ ability to claim in-group status, Gap owners are less sensitive to these concerns.

Finally, we discuss theoretical and managerial implications, including additional studies and demonstrations of how some of our findings have been applied in the field.

**Brand Dilution: The Impact of the User of Counterfeits on Genuine Brand Perceptions and the Moderating Role of Social Class**

**EXTENDED ABSTRACT**

Traditionally, brands of luxury goods or status goods are defined as those for which the mere use or display of the branded product brings prestige on the owner, apart from any functional utility. Many firms spend significant portions of their revenue, and top management’s time, on building such strong brands by communicating positive and unique identities to consumers. These efforts, however, can be undermined by the unauthorized use of trademarks through counterfeit products, offering consumers some of the symbolism of the brand for a fraction of the cost of the genuine name brands ($20 Rolex watches or $40 Prada bags). Despite the magnitude of the problem, little attention has been devoted to counterfeits in the literature (for exceptions see Wilcox, Min Kim and Sen 2009). Specifically, research on the effects of counterfeit goods on perceptions of the brands they imitate is lacking (Loken and John 2009). We examine the nature of people’s inferences about others using counterfeit brands and how these perceptions interact with social class in affecting a brand’s equity.

People compare themselves to both in-group and out-group members to maintain in-group distinctiveness. Consumers aspire to buy products of their associative reference groups, and prestigious brands, in particular, come to symbolize an individual’s social class position (Martineau 1968). Research on dissociative reference groups suggests that people avoid or even abandon brands that are linked to disliked groups (White and Dahl 2006, Berger and Heath 2007).

The consumer’s use of a counterfeit product, such as a counterfeit “Louis Vuitton” bag, could change the symbolism of that brand, depending on the social class of the counterfeit user and the social class of the observer. Specifically, persons should be more likely to accept counterfeit product usage by persons from a similar than a different social class as them. Perceptions of the genuine brand should be negatively (positively) affected when a counterfeit product is used by a member of one’s out (in)-group social class. We investigate this hypothesis through four experiments in which this match between social classes is either implied (studies 1 and 2) or manipulated (studies 3 and 4).

Experiments were conducted in a variety of settings. In studies 1 and 3 experiments were conducted in a laboratory setting with female undergraduates at a large University in the Midwest. Study 2 data were collected from inner-city high-school aged females in local community centers. Study 4 was conducted using a popular online survey provider. In studies 1 and 2, participants viewed a photo of a consumer using a luxury handbag and subsequently reported their prestige beliefs and attitudes about the genuine brand. The luxury handbag shown in the photo was described as either a counterfeit luxury brand or a real luxury brand, and the woman in the photo (using the handbag) was described in terms that reflected either a higher or a lower social class. In Studies 3 and 4, we provided a more direct investigation of the role of social group similarity on brand beliefs. In study 3 we manipulated the class of both the consumer and the observer (i.e. the participants) and in study 4 we manipulated the perceived similarity between the consumer and the observer.

The results from the first two studies suggest that, for prestige products, the use of counterfeit products can change people’s perceptions of the genuine brand but that this effect is limited by the match between the social class of the observer (i.e. participant) and the perceived social class of the consumer. Specifically, study 1 participants, drawn from a relatively high-class population, rated Prada and Louis Vuitton as more prestigious and more likeable when the counterfeit was being used by a higher than a lower social class consumer. For study 2 participants, drawn from a relatively lower social class, the reverse effect occurred. The genuine brands were rated as more prestigious and less likeable when the counterfeit was used by a lower than a higher social class consumer.

Study 3 manipulated participants’ perceptions of their own social class by framing questions about income and education with relatively high or low choice options. Results demonstrated that a match in the social classes of the observer and the consumer resulted in higher beliefs and attitudes towards the original brand than a mis-match between the social classes, for both high and low class observers.

Study 4 manipulated participants’ perceptions of overall similarity between the user of the counterfeit and the observer by asking participants to imagine someone who was very much un-like them and then to imagine that person using a counterfeit prestige product. Corroborating our hypothesis, the brand was rated as more prestigious and likeable when the user of the counterfeit was similar rather than dissimilar to the participant.

Together, these studies provide compelling empirical evidence for the effects of counterfeit usage by social class in-groups and out-groups on perceptions of the genuine brand. That is, the effects of observing counterfeit use on beliefs of prestige and overall brand
attitudes depend significantly on the social class of the observer and the consumer. Importantly, the perceptions of people who observe the use of counterfeit luxury brands are more positively (negatively) disposed to liking the genuine brand when the counterfeit product is used by an in-group (out-group) member.

When ‘Your Brand’ Changes the Terms of the Relationship: Vicarious Dissonance in the Context of Brand Attachment

EXTENDED ABSTRACT

Consumers see brands as legitimate relationship partners (Fourier 1998). When consumers have strong personal connection (attachment) with a brand, they incorporate the brand into their own sense of self (Park et al. 2009). Attachment to a particular brand influences one’s allocation of emotional, cognitive and behavioral resources towards the object of attachment and induces a readiness to evaluate it positively. Consumers follow the brands that they feel attached to, know them very well and have expectations from them. They have a tendency to see these brands as extensions of self and members of their in-groups.

Consumers rely on their relationships with a brand when they are evaluating brand extensions (Aaker and Keller 1990). Consumers evaluate brand extensions according to their established perceptions of a family brand and the similarity with the extension categories. Such evaluations build on the terms of the brand-self relationship (i.e., characteristics of the brand perceived by the individual as part of self-concept). Accordingly, consumers might experience dissonance when these brands do not behave in line with their expectations.

Vicarious dissonance theory in social psychology suggests that when people witness a discrepant behavior (contradictory to already established expectations) from a person that they have a bond with and regard as a member of their in-group, they experience a dissonance. As the behavior cannot be undone, individuals have a tendency to change their own attitudes toward the discrepant behavior in order to reduce the dissonance. Applying the vicarious dissonance theory to the marketing context, we suggest that people who feel connected to specific brands will have certain expectations regarding how these brands should behave. When these brands do not behave in line with expectations, specifically within the context of brand extensions, consumers will experience vicarious dissonance and then change their attitudes towards the unexpected behavior. In order words, consumer attitudes toward the brand extension and its product category will become more positive compared to their first reaction due to the vicarious dissonance felt.

For example, a person who identifies himself with the Porsche brand may associate the brand personality (young, exciting sports cars) of Porsche with himself, and therefore feel vicarious dissonance when Porsche decides to produce an SUV, a product category that is incongruent with the established brand personality of Porsche. In an effort to reduce the dissonance, the consumer may amend his own attitude towards the SUV product category. Hence, a person who has a bond with the Porsche brand may develop a positive attitude toward SUVs as a product category (not only to the Porsche SUV) after Porsche’s decision to produce SUVs. To sum up, we suggest that strong consumer-brand attachment will lead to vicarious dissonance and affect the attitudes toward the brand extension and the product category.

Additionally, we suggest that not only different attachment levels, but also the different functions of the brands may impact the attitudes of consumers. Park and his colleagues (2009) specify three functions that brands serve: entertaining the self, enabling the self and enriching the self. In order to create consumer-brand attachment, brands need to serve all three of these resources. However, the prominence of each of these resources may be different for various brands. We assume that consumers identify themselves more with brands that have more enriching resources. Hence, we believe that different resources of brands such as enriching, enabling and entertaining the individuals, affect the level of brand-self-identification and impact the vicarious dissonance felt by the consumers when an incongruent behavior occurs. Thus, we expect that the prominence of different functions of brands will moderate the vicarious dissonance felt by the consumers. Negative impact of incongruent brand extensions on consumer attitudes toward the brand will be lower for brands with enriching resources in comparison to brands with entertaining and enabling resources.

Three pretests were conducted to choose the brands to be studied, to identify the congruent and incongruent brand extensions that these brands have, the type of attachment consumers feel for these brands and the baseline evaluations for the product categories of incongruent brand extensions. Based on these pretests, we selected two well-known brands; one luxury car brand and one fashion clothing brand.

In the first laboratory experiment, we demonstrated that participants felt vicarious dissonance when a brand that they were highly attached to introduced an incongruent brand extension. We first measured the evaluations for the unbranded product categories. Participants’ evaluations for these unbranded product categories were significantly increased after they were informed that brands that they were highly attached to launched them. In contrast, there was no change in the evaluations of the participants who did not feel attached to the brands. These findings are replicated for both brands and product categories.

In the second study, we have examined the same effects using hypothetical scenarios with fictitious brands. Hence, attachment levels were manipulated. Consistent with study 1, we found that participants’ evaluations increased for the unbranded product categories, even though they found them incongruent with the brands explained in the scenarios. In the third study that we are currently conducting, we are collecting data to measure the effect of different attachment types on vicarious dissonance and product evaluations.

Our research contributes to the work on attitudes toward atypical brand extensions. We extend the vicarious dissonance literature by demonstrating its effect on the incongruent extensions of brands that consumers feel attached to.

REFERENCES


