Broadcasting and Narrowcasting: How Audience Size Impacts What People Share
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Four studies investigate how audience size alters sharer focus and impacts what people share. We demonstrate that broadcasting (communicating with a large group), encourages self-focus, which leads people to share self-presentational content, while narrowcasting (communicating with one person) encourages other-focus, which leads people to share useful content.

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How Audience Factors Influence Word-of-Mouth
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Paper #1: Broadcasting and Narrowcasting: How Audience Size Impacts What People Share
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Paper #2: Compensatory Communication: Consumer Knowledge Discrepancies and Knowledge Signaling in Word-of-Mouth
Grant Packard, Wilfrid Laurier University, Canada
David B. Wooten, University of Michigan, USA

Paper #3: Using Incentives to Encourage Word-of-Mouth Transmissions That Lead To Fast Information Diffusion
Andrew T. Stephen, University of Pittsburgh, USA
Donald R. Lehmann, Columbia University, USA

Paper #4: Answering Why: Action and Reaction Explanations in Word of Mouth
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SESSION OVERVIEW
How does the audience shape word of mouth? What audience characteristics influence what and how people communicate? Most research on word-of-mouth has focused on its consequences, or how it influences choice, diffusion, and sales (e.g., Godes and Mayzlin 2004; Chintagunta, Gopinath, and Venkataraman 2010). There has been less attention, however, to the processes underlying interpersonal communication, particularly how the recipient impacts what people talk about and share. The four papers in this session illustrate how various aspects of the audience might motivate the speaker to share different types of content, use different linguistic styles, or pass on product information in the face of incentives or knowledge discrepancies. All four presentations are working papers with at least four studies completed.

Barasch and Berger investigate how the mere number of people with whom consumers communicate impacts what people share through shifting sharer focus. They find that talking to a group leads people to focus on the self and share self-presentational content, while talking to one person leads people to focus on the audience and share useful content. Packard and Wooten examine how consumers compensate for knowledge deficiencies by sharing product information with psychologically close (but not distant) audiences. That is, people engage in compensatory self-enhancement with audiences that have self-concept relevance (i.e., friends) by sending close others positive signals of their consumer knowledge.

Stephen and Lehmann examine the use of incentives to encourage transmission of product information to higher-connectivity friends (i.e., social hubs). Moreover, the authors show that this mechanism of incentives based on positive externalities (increasing value with more audience members) can lead to faster information diffusion. Finally, Moore shows that the use of different explanations in WOM is determined by what speakers think would be most useful and helpful for their audience, such that they use more action explanations for utilitarian experiences and more reaction explanations for hedonic experiences.

Communication requires more than one party; indeed, people cannot share things without an audience. Together, these papers highlight the diverse ways in which the audience shapes what and how people communicate. Given the widespread applicability of the issues discussed, the session should attract researchers interested not only in word-of-mouth, communication, and persuasion, but also self-presentation, utilitarian vs. hedonic experiences, and self-other trade-offs. In the spirit of the conference theme of “Making a Difference,” we hope that the practical implications of each presentation (how to improve social interactions, share more valuable content, or design effective WOM campaigns), and the diverse approaches to studying the audience’s influence on word-of-mouth, will generate a lively and fruitful discussion.

Broadcasting and Narrowcasting: How Audience Size Impacts What People Share

EXTENDED ABSTRACT

Does the mere number of people with whom consumers communicate impact what they talk about and share? Some conversations involve communicating with just one person (narrowcasting), whereas others involve communicating with many people (broadcasting). We suggest that audience size will impact communication by shifting the relative influence of two fundamental word-of-mouth drivers: self-presentation and helping others.

People disproportionately attend to their own opinions and interests (Krueger 1999), and it is intrinsically rewarding to talk about the self (Tamir and Mitchell 2012). Indeed, self-disclosure is the most common topic in human conversation (Emler 1990). Given that considering others requires time, effort, and motivation (Epley et al. 2004), broadcasting should do little to move people from their natural tendency for self-focus, which should boost self-presentation because people automatically associate themselves with favorable attributes (Paulhus and Levitt 1987).

Narrowcasting, however, should mitigate egocentrism and encourage people to focus on others. Thinking about a specific other makes others more vivid, increasing attention he or she receives. By increasing other-focus, narrowcasting should facilitate consideration of the other person’s perspective, which should in turn encourage people to “tune” their messages (Higgins 1999) and share useful content.

Thus, we suggest that broadcasting will lead people to share more self-presenting content (because of increased self-focus), while narrowcasting will lead people to share content that is more useful (because of increased other-focus). The current research tests the causal impact of audience size by manipulating it directly across four experiments.

In Study 1, we gave participants a list of imaginary events and asked them to write a short description of their day for one person (narrowcasting) or a group of people (broadcasting). Since people often self-present through distancing the self from negative personal experiences (Sedikides 1993), we predicted and found that broadcasting led people to share fewer negative events ($t(90)=2.50, p=.01$) and reframe the negative events they mentioned in a positive light ($t(90)=2.16, p<.04$).

In Study 2, we controlled for audience closeness by asking participants to have short, real conversations with other students in the lab, either a single partner (narrowcasting) or a small group (broadcasting). Then, we had 2 coders rate the conversations for negativity ($r=.9$). Building on Study 1, we found that broadcasting reduced negativity ($t(179)=-2.73, p<.01$). Further, as a preliminary test of self-focus and other-focus, we found that broadcasting increased the...
usage of first-person singular pronouns (e.g., I, me, t(179)=-2.14, p<.03), while narrowcasting increased the usage of second-person pronouns (e.g., you, t(179)=3.38, p<.01).

Study 3 tested the underlying mechanism behind these effects. In addition to manipulating audience size, we asked half the participants to list the name(s) of the people with whom they are sharing, which should have a similar effect as narrowcasting by boosting other-focus and moderating the effect of audience size. Respondents were asked how likely they would be to share 8 useful items (e.g., “A coupon for a discount”), or 15 self-presentation items that were either acquisitive or protective (“Just got a good/bad grade on a test”). Because people are more motivated to avoid bad impressions than to pursue good ones (Baumeister et al. 2001), we expect the impact on self-presentation to reveal itself primarily in the avoidance of looking bad (protective self-presentation) rather than the approach of looking good (acquisitive self-presentation).

An ANOVA revealed a significant Audience Size x Other-focus interaction on usefulness (F(1,138)=5.65, p<.03), as well as an Audience Size x Other-focus x Self-presentation interaction, such that the effect on protective self-presentation was significant (F(1,78)=6.90, p=.01), but the effect on acquisitive self-presentation was not (F<1, p>0.9). As predicted, when participants did not list others’ names, narrowcasting boosted the sharing of useful content and broadcasting decreased willingness to share things that would make participants look bad. When participants listed names of the people with whom they were sharing, however, these differences disappeared. Making the audience more concrete had an analogous effect to narrowcasting, supporting the notion that audience size effects are driven by changes in sharer focus.

Study 4 tested this mechanism more directly. Respondents were randomly assigned according to a 2 (Audience size: narrow vs. broad) x 4 (Content type) between-within-subjects design. We simultaneously manipulated the usefulness and self-presenting nature of the content, asking participants how likely they would be to share each type of content and how much they were thinking about the self versus the audience (sharer focus).

As expected, people were always more willing to share useful content, but this tendency was stronger when people were narrowcasting (F(1,141)=6.94, p<.01). Similarly, people were always more willing to share content that made them look good rather than bad, but this tendency was stronger when broadcasting (F(1,141)=23.97, p<.001). Consistent with our previous results, while audience size did not impact participants willingness to share content that made them look good, broadcasting did reduce participants willingness to share content that made them look bad. The effects of audience size on self-presentation and usefulness were both mediated by sharer focus (95% CI[0.03, .65]; 95% CI[-.39, -.03]).

By demonstrating the impact of audience size on communication and by articulating the underlying role of sender vs. receiver focus, this research integrates work on the drivers of word-of-mouth with work on self-other trade-offs to deepen our understanding of what people share and why. This work contributes to work on the behavioral drivers of word-of-mouth, interpersonal communication, and the role of sharer focus.

REFERENCES


Compensatory Communication: Consumer Knowledge Discrepancies and Knowledge Signaling in Word-of-Mouth

EXTENDED ABSTRACT
People who believe they are knowledgeable about products tend to share this knowledge more with others. This tenet is central to research on word-of-mouth motivation (e.g. Engel et al. 1969; Feick and Price 1987; Wojnicki and Godes 2012) and consistent with Grecean maxims—those who believe they are more knowledgeable should make an appropriately weighted ‘conversational contribution’ by sharing their knowledge more with others (Grice 1991). A prediction that follows from this research is that a perceived shortcoming in consumer knowledge should constrain a person’s motivation to share product information.

While recognizing this possibility, we predict that perceived deficiencies in consumer knowledge sometimes lead to an increase rather than a decrease in word-of-mouth transmission. Why might this occur? Subjective consumer knowledge has been defined as what or how much a person thinks she presently knows about products (Park et al. 1994). Extending this definition, we propose that consumer knowledge consequences may be linked not only to a person’s beliefs about their present-state attributes or “actual self,” but also the “ideal self” they desire to be in the same domain (Markus and Wurf 1987).

A discrepancy between a person’s perception of their actual and ideal consumer knowledge (a knowledge discrepancy) may have significant behavioral consequences (Baumeister 1982). A common response to self-discrepancies is compensatory self-enhancement, whereby people work to promote more favorable impressions of themselves with self-concept relevant audiences (e.g. Swann et al. 1989). Building on prior research on compensatory self-enhancement (e.g. Rucker and Galinsky 2008) and self-concept motivation.
in word-of-mouth (e.g. Berger and Schwartz 2011), we predict that the desire to produce compensatory signals of higher consumer knowledge sometimes leads knowledge discrepant individuals to share more (rather than less) product information. Four studies test our compensatory communication hypothesis.

Study 1 examined how a measured knowledge discrepancy impacts consumers’ motivations to share product opinions with audiences that differ in self-concept relevance. The relevance of social relations with psychologically close individuals (i.e. friends) make them a primary target of self-enhancement, while distant (i.e. anonymous) others are likely to hold less self-concept relevance (Baumeister 1982; Tesser and Campbell 1982). Participants in this study (and all that follow) were told they would be testing the “Share” button feature of an online retailer, through which product reviews can be transmitted to either known or anonymous others. Our analysis revealed that given a psychologically close (but not distant) audience, a knowledge discrepancy increases the number of product reviews people intend to write and how many people they wished to share their reviews with during the study.

Study 2 explored the core effect using a manipulated rather than measured knowledge discrepancy, and tested for moderation by lay beliefs in the self-enhancement benefit of sharing word-of-mouth information (Hennig-Thurau et al 2004). A knowledge discrepancy in music was manipulated adapting an existing method (e.g. Higgins et al 1986). Three images captured lay beliefs in the self-enhancement benefit of sharing product knowledge. Analysis revealed that the effect of a knowledge discrepancy on the intention to write and share music reviews was greater for participants with higher beliefs in the self-enhancing benefits of sharing word-of-mouth.

Study 3 examined the effect in a different product category (movies) and with different dependent variables. Specifically, we analyzed the content of participant-written reviews using measures consistent with attempted audience impression management. We predicted that review content shared by participants with high (vs. low) knowledge discrepancies would indicate greater effort to write the review, include more self-centered content, utilize more complex language, and be more positive about the product (Schlenker 1980; Walther 2007). After the discrepancy manipulation, participants were to share their opinion about the last movie they had seen via email with a self-concept relevant audience. Multivariate ANOVA using 11 content-based measures supported all four predictions linking the compensatory communication effect to self-presentation in general or social displays of knowledge in particular.

In Study 4, we tested whether the compensatory communication effect was mediated by the negative emotion (dejection) found in prior examinations of actual ideal self-discrepancies (e.g. Higgins 1987; Higgins et al. 1986). This study also provided an additional robustness test by examining discrepancies in consumer knowledge at a general as opposed to a category-specific level. A discrepancy in generalized consumer knowledge was manipulated using the same method as Studies 2-3 (except for dropping the product category name). Participants were then invited to share their knowledge about books, music or movies with a self-concept relevant audience in a manner identical to Study 2. The core compensatory communication effect was again replicated for both the number of reviews written and review sharing. Bootstrap analysis confirmed that the specific emotion linked by prior research to actual ideal self-discrepancies mediated the effect of a knowledge discrepancy on intentions to transmit word-of-mouth.

Conventional wisdom regarding the relationship between word-of-mouth and consumer knowledge is that the people who talk more about products do so because they think they know more about them. By identifying the motivational power of knowledge discrepancies, this research contributes a more nuanced understanding of how knowledge beliefs and audience factors motivate word-of-mouth transmission. We hope this research stimulates new inquiries leveraging a more dynamic conception of consumer knowledge, shedding new light on the link between these beliefs and consumer attitudes and behaviors.

REFERENCES
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Using Incentives to Encourage Word-of-Mouth
Transmissions That Lead To Fast Information Diffusion

EXTENDED ABSTRACT
Unlike traditional advertising campaigns or sales promotions, word-of-mouth (WOM) marketing relies on consumer-to-consumer interactions to spread awareness, generate interest, and drive sales. Importantly, not only do marketers hope for positive WOM, they hope it spreads rapidly. Fast information diffusion is important in many marketing situations, particularly in competitive environments and when firms have limited timeframes in which to achieve objectives.

According to prior research, the best way to speed up WOM-based information diffusion is for firms to target consumers who are highly connected (i.e., social hubs). Extant research shows that once information (or a product) is passed on by a social hub diffusion speeds up because these WOM transmitters have access to more people than “normal” consumers (Goldenberg et al. 2009; Hinz et al. 2011). However, directly targeting social hubs is not always possible because they are, by definition, relatively limited in number. Further, outside of public online social networks such as Twitter, it is difficult to identify these types of consumers. In light of these problems, it may often infeasible for marketers to base WOM marketing campaigns on directly targeting hubs.

The current research investigates an approach to WOM marketing that circumvents these concerns by not directly targeting higher-connectivity consumers. Instead, the proposed approach is based on targeting “normal” consumers who do not have abnormally high levels of connectivity and finding ways to encourage them to share the information with their high-connectivity “hub” friends. Five studies show that this can be achieved through the use of incentive mechanisms that increase the probability that a targeted consumer will transmit relevant information via WOM to a receiver friend who has a higher degree of social connectivity. We show that this leads to faster information diffusion. Our central hypothesis is that incentives based on positive externalities will increase the likelihood that a WOM-transmitting consumer will select a receiver with higher connectivity. When a piece of information has a positive externality, the value of the information to those who possess it increases with the number of others who possess it. For example, a positive-externality incentive would increase the amount of discount a transmitter received on a purchase if they spread WOM to more people. Conversely, a no-externality incentive would be fixed and not vary with the number of people who received WOM. Transmitting to more socially connected friends makes sense to a consumer who is presented with a positive-externality-based incentive because if their well-connected friend passes on the information more people will hear about it.

Study 1 tested this hypothesis by examining whether a positive-externality-based incentive increases the connectivity of a selected WOM receiver compared to a no-externality incentive in the context of a discount coupon for Amazon.com. In the positive-externality condition participants would receive a 50% discount only if the coupon was shared and redeemed by at least 7,500 people over three days. In the no-externality condition this requirement was removed. We found that participants were significantly more likely to transmit the offer information to a high-connectivity friend in the positive-externality condition than in the no-externality condition (p < .001).

Study 2 considered WOM transmissions in an online review advice-giving context. Amazon Mechanical Turk (AMT) “workers” who wrote reviews of AMT were asked to nominate a person with whom these reviews would be shared, and indicate how socially connected their chosen receivers were. In the positive-externality condition a bonus payment was given if their reviews were shared over 100 times over a week. In addition to externality (positive vs. none) we manipulated how much effort participants put into the review-writing task (higher/longer task vs. lower/shorter task). We found that nominated receivers had higher connectivity ratings when a positive-externality incentive was used, but only when participants put in higher effort (i.e., were more intrinsically motivated). Thus, positive-externality incentives only work when transmitters are also sufficiently intrinsically motivated to see information spread among others.

Studies 3 and 4 were field experiments designed to replicate results from studies 1 and 2 in different contexts and with actual WOM transmissions. Study 3 used a context where transmitters did not stand to personally benefit from information diffusion. Instead, a third-party charitable organization stood to benefit by receiving a sizeable donation if participants’ actual WOM transmissions generated a large enough number of visits to the charity’s website in a specified period of time. Study 4 involved a social media startup that tried to recruit new users with messages designed to elicit a positive-externality or not. Both field experiments replicated the results from studies 1 and 2.

Study 5 sought to identify the macro-level outcomes of positive-versus no-externality incentives for WOM transmissions on information diffusion speed in a social network using simulations. The simulation experiment demonstrated that, as theorized, the probability of transmitting to a higher-connectivity receiver increases, diffusion speed also increases.

Overall, these five studies demonstrate that positive information externalities can be successfully used to increase the likelihood that regular WOM-transmitting consumers will select their higher-connectivity friends as receivers and that this does indeed lead to faster diffusion processes at the macro level.

REFERENCES

Answering Why: Action and Reaction Explanations in Word of Mouth

EXTENDED ABSTRACT
Word of mouth (WOM), where consumers share information about experiences with others, is an everyday occurrence that strongly influences consumers (Arndt 1967) and firms (Chevalier and Mayzlin 2006). However, prior work has overlooked a key component of WOM: its content. While prior work has focused on valence (Richins 1983), content is key to understanding the impact of WOM (Godes et al. 2005), as demonstrated in recent work (Schellekens et al. 2009; Moore 2012). The current paper focuses on when and why individuals use particular WOM content. We investigate explaining language as one important type of content; individuals often explain events and experiences, to reduce uncertainty and manage future utility (Gilbert, Wilson, and Centerbar 2003).

Prior work shows that the act of explaining influences consumers’ evaluations of their experiences. Due to their primarily emotional nature, explaining dampens evaluations of hedonic experiences, but, due to their primarily cognitive nature, explaining polarizes
evaluations of utilitarian experiences (Moore 2012). We extend this work by examining the role of two types of explanations—action and reaction explanations (Malle 2006)—in WOM. Action explanations outline why consumers chose experiences or behaved in certain ways (e.g., I bought the cookies for a friend), while reaction explanations outline why consumers felt the way they did about experiences (e.g., I liked the cookies because they were chewy). While prior work has identified actor/observer differences in using these types of explanations (Malle 2004), we focus on explanations in a WOM context.

We posit that explanation type in WOM may not be predicted by actor/observer differences—since the audience is salient, the use of different explanations may instead be determined by what speakers think would be most helpful for their audience (Grice 1957). This, in turn, may be determined by product type. For utilitarian experiences, which are instrumental and goal-oriented (cognitive), action explanations might be more useful and therefore more common; for hedonic experiences, which are affective and sensory (emotional; Dhar and Wertenbroch 2000), reaction explanations might be more useful and therefore more common. Further, we posit that providing these explanations will impact speakers (Moore 2012), such that for utilitarian experiences, only action explanations will polarize evaluations, but for hedonic experiences, only reaction explanations will dampen evaluations. We examine these predictions in seven studies.

In study 1, we tested audience preferences for different types of explanations. We provided individuals with constructed reviews that varied in valence (positive or negative), product type (pretested as hedonic or utilitarian), and explanation type (action, reaction, or none). Participants rated reaction explanations as more helpful for hedonic (restaurant) reviews and action explanations as more helpful for utilitarian (USB stick) reviews.

We next examined whether speakers (reviewers) were sensitive to these preferences. In study 2, we collected 200 Amazon.com reviews. We collected fiction and non-fiction book reviews to represent hedonic and utilitarian products (confirmed in a pre-test), and coded each review for its proportion of reaction and action explanations. More action than reaction explanations were provided for non-fiction (utilitarian) books (e.g., I bought this because it was a best seller), while more reaction than action explanations were provided for fiction (hedonic) books (e.g., I loved this book because it was well-written).

In study 3, we replicated this finding in the lab. Individuals recalled a recent hedonic or utilitarian purchase that was positive or negative. They imagined writing an online review or a diary entry, and rated how likely they were to include sentences that provided either no explanations, action explanations, or reaction explanations. Corroborating the Amazon data, regardless of valence, and only in the public (online review) condition, individuals were more likely to include action (reaction) explanations for utilitarian (hedonic) products.

In studies 4 and 5, we examined how different types of explanations influence speakers. Individuals recalled and wrote about a recent purchase that varied by valence (positive or negative), product type (hedonic or utilitarian), and explanation type (action, reaction, or none). To manipulate explanation type, individuals completed fill in the blank sentences that varied in terms of the explanation requested. In studies 4a and 4b, individuals wrote about dining out at a restaurant (hedonic) or purchasing a technology product (utilitarian). In studies 5a and 5b, to control for product tangibility, all individuals wrote about a technology product that was either hedonic or utilitarian. For positive and negative purchases across all three studies, compared to not explaining, action explanations polarized individuals’ evaluations of utilitarian products, and reaction explanations dampened individuals’ evaluations of hedonic products.

In sum, we examine WOM content, a critical but understudied issue in WOM. We focus on explanation type in WOM about hedonic and utilitarian products. We examine when action versus reaction explanations are preferred by audiences, and show that speakers are sensitive to these preferences—but sometimes to their detriment, as providing certain types of explanations can impact speakers’ evaluations of their own purchases.

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