Variety Promotes Flexibility: the Effect of Exposure to High Variety on New Product Evaluations

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This research examines the subtle effect of exposure to high variety on consumer evaluations of unrelated new products. Five studies demonstrate that the exposure to high variety induces cognitive flexibility, which in turn leads to more favorable evaluations for new products.

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EXTENDED ABSTRACT

Imagine that a consumer goes on an online supermarket website: in one occasion he is presented with a large variety of clothes or books, while on another occasion, and he is presented with very few varieties. Then, he clicks into digital product category and sees a newly launched product, wireless speaker. Would the number of varieties in unrelated clothing or book domain displayed on the main page influence this consumer’s purchase decision about the new speaker? Could incidental exposure to high variety prior to making an unrelated choice make the consumer more likely to accept new products? Although it may seem that such exposure to high variety in unrelated categories should have no significant impact on subsequent new product evaluation, this dissertation proposes otherwise.

Previous research has demonstrated that consumers’ decisions are affected by how they perceive or interpret the variety of an assortment (Berger, Draganska and Simonson 2007; Hoch, Bradlow, and Wansink 1999; Kahn and Wansink 2004). Most of variety research focuses on the conscious information processing associated with variety in assortment choice. However, some recent research has demonstrated more subtle influences of the different categories or assortment structure on consumer behaviors (Mogilner and Iyengar 2008; Ülkümen, Chakravarti, and Morwitz 2010). For example, Ülkümen and her colleagues find that consumers exposed to narrow (versus broad) categories adopt different information processing styles and consider both salient and non-salient pieces of information in unrelated decisions. Building on this stream of research, we focus on the exposure to high variety impacts how consumers process information and their subsequent evaluations for new products.

In the manifestation of the experiments, we define variety as the number of distinct objects. Across five studies, we find that the exposure to high variety increases consumers’ cognitive flexibility, and consequently enhances their evaluations of new products. Study 1a showed that exposure to high variety induced cognitive flexibility represented by increased category inclusiveness. Study 1b showed that exposure to high variety enhanced cognitive flexibility through another manifestation of cognitive flexibility, namely, associative links.

Study 2 provided evidence that exposure to high variety promotes favorableness toward new products. Furthermore, increased cognitive flexibility lead to an emphasis on improvements of the new feature, and more thoughts about new feature benefits of the new product.

Study 3 provided further mediation data that exposure to high variety promotes favorableness toward new products through increased cognitive flexibility. Study 3 also extended the generalizability of the results by testing the effect of exposure to high variety in another new product area—brand extensions. For the low-fit brand extensions, consumers exposed to high variety, due to boosts in cognitive flexibility, will be able to find more and ambiguous ways to link the parent brand and the extension. Thus fit perception will be higher and consequently extension evaluations will be more favorable for consumers exposed to high variety than for those exposed to low variety. We would expect no differences to emerge for high-fit brand extensions, where the connection between parent brand and the extension product is highly accessible, and cognitive flexibility is of little help. The results of Study 3 conformed to our predictions.

In Study 4, we explored another boundary condition, namely, ad message persuasiveness of new products. The new products can be advertised in a direct, easy-to-comprehend way, where specific attributes are presented, or in an indirect, hard-to-comprehend way, where the relationship between the focal product and other images are remotely related and require substantial relational processing. Consumers exposed to high variety, who are more cognitively flexible, should be up to the heightened challenge of understanding indirect ad messages and form favorable ad attitudes. On the other hand, consumers exposed to low variety, who are less cognitively flexible, should have difficulty seeing the relationship between the seemingly irrelevant images. For direct ad messages, in contrast, images are directly related to each other and the product, and minimal relational processing is necessary. Thus, for direct ad messages, consumers exposed to both high and low variety will find the ad message easy to comprehend and form similar ad attitudes. The results of Study 4 were consistent with these predictions.

Table 1: Mean Typicality Ratings as a Function of Exposure to Variety (Study 1a)

<table>
<thead>
<tr>
<th>Exemplars</th>
<th>Exposure to High Variety</th>
<th>Exposure to Low Variety</th>
<th>Control</th>
</tr>
</thead>
<tbody>
<tr>
<td>Weak</td>
<td>3.63</td>
<td>2.63</td>
<td>2.85</td>
</tr>
<tr>
<td>Moderate</td>
<td>5.32</td>
<td>5.30</td>
<td>5.29</td>
</tr>
<tr>
<td>Strong</td>
<td>6.78</td>
<td>6.66</td>
<td>6.76</td>
</tr>
</tbody>
</table>

Note. Higher numbers indicate greater category inclusiveness.

REFERENCES


Simms, Jane (2005), “Where Are All the New Ideas?” *Marketing (UK)*, (December 18), 34-36.