The Devil You Know: Service Failures, Self-Esteem and Behavioral Loyalty

Irene Consiglio, Erasmus University Rotterdam, The Netherlands
Stijn M.J. van Osselaer, Cornell University, USA

High self-esteem consumers tend to switch to alternative service providers following service failures, whilst low-self esteem consumers do not. We propose that this happens because, following a service failure, low self-esteem consumers become wary of new commitments with alternative service providers thus – ironically – remain faithful to the devil they know.

[to cite]:

[url]:
http://www.acrwebsite.org/volumes/1019205/volumes/v43/NA-43

[copyright notice]:
This work is copyrighted by The Association for Consumer Research. For permission to copy or use this work in whole or in part, please contact the Copyright Clearance Center at http://www.copyright.com/.
It Ain’t All Positive: Frictions between Consumers and Brands

Chairs: Johannes Boegershausen, University of British Columbia, Canada
Anne-Kathrin Klesse, Tilburg University, The Netherlands

All four papers provide multifaceted insights into the negative spectrum of consumer-brand connections. Collectively, they address the following questions: (i) which types of consumers are most likely to remain in negative consumer-brand connections and (ii) whether and why do negative consumer-brand connections affect competing brands. In addition, this session reinforces the need to overcome the prevalent positivity bias in measuring and studying consumer-brand connections. A full appreciation of the potential frictions between consumers and brands can enrich our theories about consumer-brand relationships. This session is of interest to a diverse audience as it appeals to those interested in brands, consumer-brand relationships, and service failures.

Interpersonal Influences on Consumer-Brand Relationships: Exploring the Effect of Providing Relationship Reminders on Brand Evaluations

Mansur Khamitov, Ivey Business School, Western University, Canada
Matthew Thomson, Ivey Business School, Western University, Canada
Allison R. Johnson, Ivey Business School, Western University, Canada

Summary of the papers:

- **Paper #1: Interpersonal Influences on Consumer-Brand Relationships: Exploring the Effect of Providing Relationship Reminders on Brand Evaluations**

  - **Methodology:** The current standard approaches of measuring consumer-brand relationships (CBRs) involve asking consumers to provide evaluations of researcher-identified brands. This paper introduces a new approach to measuring consumer-brand relationships, focusing on the role of interpersonal relationship reminders in shaping consumer evaluations.

  - **Findings:** The study highlights the importance of interpersonal relationship reminders in shaping consumer evaluations of brands. The results suggest that providing interpersonal relationship reminders can significantly influence consumer evaluations, thereby enriching our understanding of consumer-brand relationships.

- **Paper #2: Who Blames but Forgives When Brands Err? Applying Attachment Theory to Explain Consumer Responses to Brand Failures and Recovery Efforts**

  - **Methodology:** This paper explores the role of attachment theory in understanding consumer responses to brand failures and recovery efforts.

  - **Findings:** The study finds that consumers with a secure attachment style are more likely to forgive brands when they err, whereas those with an insecure attachment style are more likely to blame brands.

- **Paper #3: The Devil You Know: Service Failures, Self-Esteem and Behavioral Loyalty**

  - **Methodology:** This paper examines the role of self-esteem in shaping consumer responses to service failures.

  - **Findings:** The study finds that consumers with higher self-esteem are more likely to exhibit behavioral loyalty towards brands that have failed them, suggesting that self-esteem plays a significant role in shaping consumer responses.

- **Paper #4: The Category Spillover Effects of Brand Hatred**

  - **Methodology:** This paper investigates the spillover effects of brand hatred across different categories.

  - **Findings:** The study finds that consumers who hate one brand are more likely to generalize their negative feelings to other brands in the same category, suggesting that brand hatred can have significant spillover effects.

**SESSION OVERVIEW**

How consumers connect with brands remains at the forefront for consumer researchers and managers alike. A substantial body of research examines positive consumer-firm connections manifested in consumer-brand relationships (e.g., Fournier 1998), brand engagement in consumers’ self-concept (e.g., Sprott, Czellar and Spangenberg 2009), attachment (e.g., Park, Eisingerich and Park 2013; Park et al. 2010), and love (e.g., Batra, Ahuvia and Bagozzi 2012; Yim, Tse and Chan 2008). On the contrary, work on negative consumer-brand connections is comparatively scarce, possibly reflecting a “positivity bias in brand relationship research” (Fournier and Alvarez 2013, p. 260). The focus on positive consumer-brand experiences and connections is somewhat surprising given that negative experiences, connections, and emotions tend to be more impactful than their positive counterparts (Baumeister et al. 2001).

Consequently, the central purpose of this session is to shed light on ‘negatives’ in consumer-brand connections. To this end we have collected four exciting papers that look at frictions in consumer-brand connections from different perspectives: first, this session highlights that consumer-brand relationships are not as positive as portrayed in prior research once measurement of these consumer-brand connections accounts for the social context which they are embedded in (Khamitov, Thomson, and Johnson). Second, this session shows that individual differences predict whether, how, and why consumers may remain in negative and troublesome brand relationships (Dommer, Swaminathan, and Gurhan-Canli; Consiglio and van Osselaer). Third, the final paper in the session shows that negative experiences and feelings towards one specific brand are likely to affect competing brands as well (Boegershausen, Klesse, Hoegg, and Dahl).
Study 3 demonstrated that the effect operates with interpersonal but not other types of relationship reminders (e.g., other brands, celebrities), thus replicating the mediational pathway observed in studies 1 and 2. In addition, Study 3 reinforced the role interpersonal relationship reminders play in influencing perceptions of CBR strength by revealing an important asymmetry: interpersonal relationship strength is not affected when immediately preceded by brand questions but the reverse is not true. This result helps allay concerns that the prior results are confounded by a perceptual contrast effect.

Study 4 showed that the weakening effects of interpersonal relationship reminders on CBR strength are not driven by reduced materialism or enhanced perceived social support (alternative explanations). It also investigates if the negative effects of relationship reminders on CBR strength can be mitigated by prompting consumers to think about brands as people (Aggarwal and McGill 2012). We expect that consumers who are made to think about brands in human-like terms will be more likely to integrate the brand into their relational schemas, thereby mitigating the effect of providing interpersonal relationship reminders on perceived brand agency and CBR strength. Replicating results of previous studies, consumers who received (vs. did not receive) an interpersonal relationship reminder reported weaker scores on brand agency and strength. However, among consumers who were situationally induced to think of brands as people and thus integrate brands into relational schemas, the reminders had no little effect.

This work contributes to the CBR literature by answering the call of relationship theorists to investigate the role played by consumer’s social connections in influencing CBRs (Fournier 2009), helping to draw a finer line between brand and interpersonal relationships (Swaminathan and Dommer 2012) and enhancing understanding of the way interpersonal relationship reminders operate in a branding context (Cavanaugh 2014).

To the best of our knowledge, our research is the first to demonstrate how and when reminding consumers of their interpersonal relationships impacts CBRs. While previous research referencing consumers’ interpersonal relationships has suggested that marketers should improve ratings of brand performance by appealing to consumers’ interpersonal relationships, such as through use of nostalgic advertising (Muehling and Pascal 2011; Zhou et al. 2012), friendship-driven brand communities (Bagozzi and Dholakia 2006), brands as facilitators of interpersonal relationships (Goode, Kamitov and Thomson 2015) and community appeals (Cutcher 2008), our results appear divergent and show that this is not necessarily the case. Our results offer insight into the role of agency in CBRs and extend a more nuanced understanding of the relationship metaphor into the brand domain (Fournier 1998), suggesting a more pervasive and complex psychological phenomenon whereby brand relationships can become affected by placing them in the broader context of consumers’ lives. Indeed, this is consistent with an increasing body of social psychological research on relational schemas that finds that activating interpersonal relational schemas exerts influence on subsequent perceptions of other social experiences (Andersen and Chen 2002; Baldwin 1992; Chartrand, Dalton and Fitzsimons 2007). Thus we contribute to this research by showing that the influences of relational schemas activation extend to perceptions of consumer-brand interactions.

Who Blames but Forgive When Brands Err? Applying Attachment Theory to Explain Consumer Responses to Brand Failures and Recovery Efforts

EXTENDED ABSTRACT

In 2010, after Toyota announced a recall of cars due to a faulty gas pedal some customers swore off the brand entirely, while others went to dealerships to express their support for the brand (Audi 2010). Although transgressions weaken the consumer-brand relationship for some, others may forgive and forget.

Using a framework built on attachment theory (Bartholomew and Horowitz 1991), we examine how consumers’ attachment styles affect attributions following a transgression and subsequently responses to transgressions and recovery efforts. Attachment styles refer to internal working models of interpersonal relationships based on two dimensions: anxiety and avoidance (Bartholomew and Horowitz 1991). Anxiety represents an individual’s fear of abandonment in an interpersonal relationship due to a negative view of self. Avoidance represents a fear of abandonment because of a lack of trust in the relationship partner. We believe the avoidance dimension will affect consumers’ stability attributions, and subsequently their brand attitudes, following a brand transgression. Because high avoidance individuals believe relationship partners are untrustworthy, they should believe in the stability of brands’ transgressions and consequently lower brand attitudes.

A desire to punish the brand by spreading negative word-of-mouth (WOM) following a transgression is likely associated with both severity and controllability perceptions (Folkes 1984; McCullough, Fincham and Tsang 2003). Among individuals low in avoidance, those low in anxiety have a positive view of the self, which they can protect by attributing more control to the brand following a transgression (Burger 1981). In contrast, low avoidance-high anxiety individuals tend to blame themselves following interpersonal rejections because doing so allows them to maintain their positive views of others (Bartholomew and Horowitz 1991). High avoidance-high anxiety individuals perceive greater severity in relational transgressions (Horan 2012). High avoidance-low anxiety individuals, however, avoid relying on relationships to define who they are (Collins 1996) and likely simply withdraw from the relationship rather than punish the brand. In sum, we believe that both low avoidance-low anxiety and high avoidance-high anxiety individuals will demonstrate a greater willingness to spread negative WOM following a transgression. Furthermore, we expect controllability attributions to mediate the effect of anxiety on likelihood of spreading negative WOM among low avoidance individuals, but severity perceptions to mediate the effect of anxiety among high avoidance individuals.

In study 1, participants (n = 198) completed manipulations of anxiety and avoidance (Swaminathan, Stilley and Ahluwalia 2009) before reading information about a recall by Nike. We measured brand attitude and likelihood of spreading negative WOM. Participants in the high avoidance conditions had significantly lower brand attitudes compared to those in the low avoidance conditions (ps < .06, one-tailed test). Those in the high avoidance-high anxiety and low avoidance-low anxiety conditions were more willing to spread negative WOM than those in the high avoidance-low anxiety and low avoidance-high anxiety conditions (ps < .03, one-tailed test). Study 2 began with participants (n = 185) completing Brennan et al.’s (1998) measures of anxiety and avoidance before reading information about a recall by Nike. We measured brand attitude and likelihood of spreading negative WOM as well as severity, control, and stability (Folkes, Koletsky and Graham 1987). Avoid-
ance significantly predicted brand attitude ($b = -0.32$; $t(181) = 3.08$, $p < .01$) and stability mediated this effect (bootstrapped confidence interval: $-0.1003, -0.0026$). The interaction of anxiety with avoidance significantly predicted likelihood of spreading negative WOM ($b = .27$, $t(181) = 3.59$, $p < .001$). The Johnson-Neyman point estimate (Spiller et al. 2013) indicated that when avoidance (anxiety) scores averaged at or above .7678 (.8020) from the mean or at or below -.8841 (-1.0841) from the mean, the effect of anxiety (avoidance) was significant. Severity mediated the effect of anxiety at high levels of avoidance (indirect effect at +1 SD of avoidance: .0595, .2658) and controllability mediated the effect of anxiety at low levels of avoidance (indirect effect at -1 SD of avoidance: -.2564, -.0243).

In study 3 we considered two types of recovery efforts: apology and blame redirection. Apologies are associated with interpersonal bonds (Mikulincer and Florian 1998) and thus likely unappealing to highly avoidant individuals. Blame redirection is seen as a way of shifting responsibility for the transgression incident to external causes and subsequently reducing stability and controllability attributions. While we believe a blame redirection will be successful in getting high avoidance-low anxiety individuals to restore their brand attitudes, we do not believe this will be the case for high avoidance-high anxiety individuals. Forgiveness requires a decrease in motivation to maintain estrangement from the offender (Mikulincer and Florian 1995), which these individuals are unlikely to have because they tend to avoid getting close to others (Bartholomew 1990). Participants ($n = 405$) completed the measures of anxiety and avoidance and then read a Nike transgression scenario before reporting brand attitudes. One week later 176 participants returned to complete the second study and were exposed to a recovery effort and reported their brand attitudes again. Greater avoidance was again associated with lower brand attitudes before the recovery effort ($b = -.21$; $t(172) = 2.17$, $p < .04$). The effect of recovery effort was significant among those with high avoidance-high anxiety ($b = .64$, $t(168) = 3.39$, $p < .001$) and marginally significant for those with high avoidance-low anxiety ($b = -.69$, $t(168) = 1.67$, $p < .10$). High avoidance-high anxiety individuals lowered their brand attitudes even further when the brand redirected blame compared to when they offered an apology. When high avoidance was coupled with low anxiety, a blame redirection increased brand attitudes.

This research examined how interpersonal attachment styles affect responses to brand transgressions. By illuminating the role of stability, severity, and controllability as processes governing these effects, we provide a more nuanced understanding of how interpersonal relationships of consumers impact their relationships with brands. Although recovery strategies have been shown to be influential in guiding consumer-brand relationships following transgression, our research sheds light on the moderating role of consumers’ attachment styles in enabling such a recovery.

The Devil You Know: Service Failures, Self-Esteem and Behavioral Loyalty

EXTENDED ABSTRACT

Why do some consumers switch to available alternatives following service failures whilst others do not? In this research, we investigate one of the factors that might explain behavioral loyalty in face of service failures. Research suggests that individuals with low self-esteem who experience relational transgressions develop an avoidant attachment style, which impairs their interpersonal functioning and their willingness to take further interpersonal risks (Park and Maner 2009), and in particular to engage in other long-term relationships (Walker 2009). Drawing on this research, we propose that low self-esteem (LSE) consumers who experience service failures become unwilling to commit themselves to alternative brands, even when they have the opportunity to do so, thus paradoxically they remain trapped in their current brand relationship. High self-esteem (HSE) consumers, instead, are more likely to switch to other available service providers when they experience service failures, as compared to when they do not experience failures. We also predict that LSE consumers who experience service failures tend to avoid new commitments in general, thus favoring transactions relative to long-term contracts, even in consumption domains that are unrelated to the service failure. We tested these predictions in one survey and three experiments.

In study 1a, participants completed a measure of self-esteem (Rosenberg 1989; e.g., “I have a number of good qualities”), and reported the quality of their internet connection (“Considering your Internet usage over time, what percentage of the time does your Internet connection work perfectly?” 0% = Internet never works perfectly, 100% = Internet always works perfectly.) These questions were interspersed among others in order to disguise the purpose of the study. Finally, participants indicated how likely they would be to switch to a competitor of their current Internet provider, if canceling their current contract were free of charge and the new provider did all the paperwork. As the quality of their internet connection decreased, HSE consumers were more likely to switch to a different provider. However, frequency of failures did not have an effect on LSE consumers’ likelihood to switch. In study 1b, we replicated these findings in an experimental setting: HSE consumers who imagined to use an extremely faulty Internet connection were more likely to switch to an available provider as compared to their counterparts who imagined to use a perfectly functioning Internet connection; LSE consumers did not express different switching intentions between conditions.

Since we had hypothesized that the loyalty of LSE consumers in face of service failures is driven by their avoidance of new long-term relationships, in study 2 we manipulated the length of the contract offered by an alternative Internet service provider. When an alternative service provider offered a long-term contract (1 year) we replicated previous results: the two-way interaction between self-esteem and service quality was significant—HSE consumers were more likely to switch to this alternative service provider as the quality of their internet connection worsened, but LSE consumers were not. Instead, when an alternative service provider offered a short-term contract (1 month, renewable) LSE consumers were as likely as HSE consumers to switch to this provider, as revealed by the absence of an interaction between self-esteem and service quality in this condition. In fact, following a service failure, LSE consumers seemed to prefer a short-term contract relative to a long-term contract, which suggests an increased fear of committing to alternative brands. In study 3, we demonstrate that the fear of new commitments induced by service failures extends to unrelated domains. LSE consumers who imagined to use an extremely faulty Internet connection expressed a greater preference for buying a magazine at the newsstand relative to subscribing to this magazine, as compared to their counterparts who imagined to use a perfectly functioning Internet connection and participants in a negative mood condition. The preferences of HSE consumers, instead, were not affected by service failures.

In sum, these studies suggest that following service failures, HSE consumers are more likely to switch to a competitor compared to their counterparts who do not experience failures, whilst LSE consumers are not (studies 1a, 1b, and 2). Consistent with the hypothesis that service failures (vs. no failures) make LSE consumers wary of relational risks, thus rendering them avoidant of commitment with
alternative brands, LSE consumers increase their preference for low-commitment offers from competitors and decrease their preference for high-commitment offers (study 2), even in unrelated consumption domains (study 3).

This research has significant practical import for marketing and policy-making. Consumers who experience service failures can more easily escape a negative brand relationship if low-commitment alternatives are available; thus, marketers who wish to lure dissatisfied consumers from their competitors should consider diversifying their offerings and include short-term/low-commitment offers in their portfolio. Moreover, our results suggest that service failures might create generalized distrust in long-term relationships that extends to different consumption domains. In the long run, this could hurt marketing efforts to build trust and committed relationships. Finally, policy makers should take into account that behavioral loyalty is not determined only by switching costs or apathy. Lowering switching barriers to favor competition might not be enough to protect consumers’ rights, but motivating brands to right their wrongs – for example by broadening the scope of class actions – might be an important additional protection for LSE consumers.

The Category Spillover Effects of Brand Hatred

EXTENDED ABSTRACT

In a recent campaign by the budget airline Spirit Airlines, more than 30,000 consumers expressed their hatred for Spirit and other American airline brands (Spirit 2014). The likely managerial motive behind Spirit’s campaign is that a brand benefits when consumers hate competing brands. Such category spillover effects of brand hatred are the focus of this paper. We examine how hatred for a brand affects other brands that are close competitors (i.e., competitors in the same category such as other budget airlines) or distant competitors (i.e., competitors in a different category such as traditional full-service airlines).

Brand hatred is an extremely negative and stable emotional attitude towards a brand “including intense feelings of dislike, animosity, hostility and aversion [...]. [Brand hatred] may result from the combination of repeated experiences of anger [, contempt,] and disgust toward the hated object” (Matsumoto 2009, p. 230; cf. also Sternberg 2005; Sternberg and Sternberg 2008). Consistent with the intuition of the Spirit’s managers, researchers have suggested that hatred can motivate individuals to destroy and annihilate the hated object (Ben-Ze’ev 2001; Rempel and Burris 2005). In order to do so consumers may take revenge by purchasing from the closest competitor rather than a more distant competing brand from a different category in order to maximize the harm to the hated brand. The proverb “the enemy of my enemy is my friend” resembles this logic and spillover effects of this kind have been documented in prior work on consumer revenge (Ben-Ze’ev 2001; Rempel and Burris 2005). In contrast, willingness-to-pay did not differ in value and price positioning. Participants imagined a detailed story about indifference-versus-hate competing brands and showed that the negative spillover effects to same-category brands emerge not only when consumers hate a budget brand, but also a premium brand (Lufthansa). Study 2 (n = 125) replicates the effect using fictitious brands. Moreover, to address a potential confound of studies 1a and 1b, in study 2 the same- and other-category brands in the choice set do not differ in value and price positioning.

We conduct four studies to test the competing revenge-based versus self-protection-based predictions and produce unequivocal support for the self-protection account.

Study 1a (n = 95) provides initial evidence that brand hatred spills over to shift consumers’ preference away from same-category towards other-category brands. In this study, participants wrote about why they hate, love, or feel indifferent towards a specific budget airline brand (i.e., Ryanair). After completing the writing task and some manipulation check items, participants entered a lottery for a 2€ travel voucher. Our dependent measure was participants’ choice of airline for the voucher: a same-category (EasyJet) or an other-category brand (British Airways). Consistent with the self-protection account, in the hatred condition, 75% of participants chose the other-category brand versus 38% of those in the indifference condition and 42% in the love condition. Study 1b (n = 136) replicates this effect and shows that the negative spillover effects to same-category brands emerge not only when consumers hate a budget brand, but also a premium brand (Lufthansa). Study 2 (n = 125) replicates the effect using fictitious brands. Furthermore, to address a potential confound of studies 1a and 1b, in study 2 the same- and other-category brands in the choice set do not differ in value and price positioning.

We find a three-way interaction between category, emotional attitude, and willingness-to-pay: participants in the hatred condition were willing to pay significantly more for the chain (independent) brand when their initial hatred-evoking experience was with an independent (chain) hotel. In contrast, willingness-to-pay did not differ significantly in the indifference conditions. As the first three studies provide unanimous support for the spillover effects of brand hatred, we explicitly test the underlying self-protection mechanism of this effect in study 3 (n = 154). Building on the paradigm used in study 2, we show that brand hatred shifts perceptions of the relative safety of same- versus other-category brands: whereas participants in the indifference conditions perceive the same- and other-category brands as equally safe, participants in the hatred conditions perceive the other-category brand as significantly safer. Moderated mediation analyses reveal that the conditional indirect effect of emotional attitude (i.e., indifference versus hatred) via brand safety perceptions on the relative preference for the chain over the indifference hotel (displayed in consumers’ intentions and willingness-to-pay) is significant and positive (significant and negative) when the focal brand was an independent (chain) branded hotel.

In summary, across our four studies we find consistent support that brand hatred shifts preferences away from same-category towards other-category brands in line with the self-protection hypothesis. In line with the tenets of Griskevicius and Kenrick (2013) we show that 1) reflecting on a hated brand acts as an external cue that activates the self-protection motive, 2) the activation of this fundamental motive shapes consumers’ perceptions and preferences, which consequently 3) guides their choices towards favoring (safer) other-category over same-category competing brands.
REFERENCES


