Customer Empathetic Responses Toward Brands Being Treated Unfairly

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The current research suggests that unfair negative WOM about a brand can trigger positive consumer responses (e.g., higher patronage intentions) due to heightened feelings of empathy for that brand. This ironic effect is magnified for consumers high on trait empathy and under managerial actions making the brand more personable.

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EXTENDED ABSTRACT

The consensus within word-of-mouth (WOM) literature is that negative reviews lead to lower brand ratings and positive reviews lead to higher brand ratings (e.g., Chevalier and Mayzlin 2006; Fornell and Westbrook 1984). Recent research, however, has begun to cast doubt on this general assumption and showed that nuances within the reviews themselves moderate the effect of review valence on consumer reactions (Chen and Lurie 2013; Hamilton et al. 2014).

The current research extends this literature and postulates that inferences about the perceived unfairness of WOM communication can have ironic positive implications for consumer evaluations of the reviewed brand. Specifically, we show that negative-unfair reviews can lead to more positive consumer responses than even positive WOM because of consumers heightened feelings of empathy toward the brand.

While the rich literature on fairness in consumer behavior has focused on the consumers’ own experience of fairness during a service encounter, the current research examines the impact on consumer choices of perceived fairness for a third party. We define perceived fairness as the perception that the review was honest and impartial, free from self-interest or prejudice (Brockner et al. 2003) and hypothesize that perceptions of unfairness activate empathetic concerns for the brand under review.

Empathy is a vicarious response to the assumed emotions of another (Eisenberg 1991; Eisenberg and Miller 1987) which often arises as a response to the suffering of others (e.g., Jackson, Meltzoff, and Decety 2005). Pertinent to the research at hand, empathy activates moral concern for other people (Batson et al. 2007), often under conditions where the target has been perceived to have been wronged in some way (i.e., some standard of fairness or justice has been violated; Hoffman 2001). This concern for others being wronged was shown to motivate the restoration of fairness, either by compensating the victim or by punishing the wrong-doer (e.g., Batson et al. 2007; Carlsmith, Darley, and Robinson 2002; Darley and Pittman 2003). Given that brands can be viewed as people (Aaker 1999; Fournier 1998), we build on work showing that empathy will lead to positive and helpful responses to other people who have been wronged in some way, to propose that the same might be true of brands.

The current research suggests that when negative WOM about a brand is perceived to be unfair, this enhances empathetic concerns for the brand and results in positive consumer responses, such as higher willingness to pay, likelihood to recommend, and willingness to patronize. We demonstrate this basic effect and explore empathy as its underlying mechanism through the mediation of state empathy (S1) and moderation by trait empathy (S2). In addition, we demonstrate how managerial intervention can increase the likelihood of such empathetic responses (S3).

Study 1 demonstrates the effect of perceived fairness in WOM on positive consumer response and provides mediational evidence that feelings empathy underlie this effect. Participants were asked to read a review for a local restaurant that mentioned the same type of enjoyment over a “tasty full meal breakfast” with coffee for a total of $12. In the negative review conditions, the reviewer also mentioned being “robbed” by how much was charged for the coffee. In the negative-fair condition, the reviewer complained that the coffee was $0.50. Thus, in the negative-fair condition, the manipulation revolved around complaining about a good deal. Participants were asked to rate their level of empathy toward the brand, patronage intentions, and perceptions of review fairness. We found that negative-fair WOM (M = 4.80) leads to higher patronage intentions than both the negative-fair (M = 3.24) and, more importantly, the positive WOM (M = 4.04) conditions (Overall: F(2, 179) = 25.98, p < .001). Empathy towards the brand mediates the results.

Study 2 explores the mechanism of empathy by measuring trait empathy and showing that only participants who are predisposed to feel empathy (moderate to high on trait empathy; 31st percentile or higher), the difference in patronage intentions was significant between a negative-fair and negative-unfair review (Interaction: B = -1.33, SE = .46, t(117) = 2.47, p = .01).

Finally, in Study 3, we demonstrate how brands can enhance empathetic relationships with the consumers by taking steps to make the brand more relatable and person-like. Building off of work on how brands can be perceived as humanlike, we found that for those who were exposed a personlike brand response (vs. generic), willingness to purchase was higher (F(1,234) = 8.93, p < .01). Once again, empathy towards the brand mediates the results.

Overall, the results provide converging evidence that when consumers perceive negative WOM about a brand as unfair this leads to positive brand responses (e.g., higher WTP). This effect is due to enhanced empathy for the brand (S1 and S3), moderated by trait empathy (S2), and can be magnified through managerial interventions (S3).

This paper contributes to growing literature examining consumer inferences regarding online WOM (e.g., Moore 2015) by showing that when negative WOM is seen as unfair, this can ironically enhance brand evaluations. Thus, the current research offers two primary theoretical contributions. First, our results build on and extend past research showing that cues within WOM can influence consumer judgments about the brand by bringing to light the role of (un)fairness.

Second, while research has reported numerous instances of consumers being concerned about brands feeling empathy for them (e.g., Parasuraman, Zeithaml, and Berry 1988), we suggest that such relationships may be bi-directional wherein consumers can also experience empathy for brands. The current research suggests an empathy-driven mechanism whereby negative WOM triggers positive brand responses, even in light of negative information about the brand. Thus, we contribute to extant knowledge on empathetic reactions in consumption (e.g., Aaker and Williams 1998; Argo, Zhu, and Dahl 2008). In doing so, we highlight that companies can enhance empathetic relationships with consumers and inoculate themselves against negative WOM.

The consensus within word-of-mouth (WOM) literature is that negative reviews lead to lower brand ratings, and positive reviews lead to higher brand ratings (e.g., Chevalier and Mayzlin 2006; Fornell and Westbrook 1984). The current research highlights conditions under which this commonly observed effect does not emerge and even reverses. Building on research showing that cues within consumer reviews can influence consumers’ attributions about the responsibility for the service failure (Chen and Lurie 2013; Hamil-
ton, Vohs, and McGill 2014), we suggest that negative reviews perceived as unfair can trigger feelings of empathy for the brand being wronged which, ironically, result in higher liking and patronage intentions. Importantly, we show that these higher liking and patronage intentions exceed those that result from a positive review. We argue that empathy for the brand acts as the mechanism of this effect.

This research makes several contributions to the existing literature. First, we provide initial evidence that consumer perception of unfairness in WOM can subsequently trigger positive evaluations and behavioral intentions toward the brand. Second, we provide support for an empathy mechanism by showing how these effects are magnified under conditions where the consumer can empathize with the brand. Third, we extend previous literature on consumer-brand relationships (Aaker 1997; Aggarwal 2004; Fournier 1998) by demonstrating that our effects occur because consumers can experience empathy for brands.

THEORETICAL DEVELOPMENT

Due to the inherent trust that consumers place in WOM, reviews have been shown to impact dramatically responses to companies and brands, including increased willingness to pay (Houser and Wooders 2006) and product sales (Chevalier and Mayzlin 2006; Liu 2006). The consensus is that positive reviews lead to higher product sales by enhancing positive attitudes and expectations regarding the brand, while negative reviews lower brand evaluations and intentions (e.g., Chevalier and Mayzlin 2006; Godes and Mayzlin 2004; Liu 2006; Sonnier, McAlister, and Rutz 2011; Zhu and Zhang 2010).

Research has begun to cast doubt on the general assumption that positive and negative reviews always lead respectively to positive and negative outcomes for the brand. Cues in the reviews can change outcomes. For example, Chen and Lurie (2013) found cues within the review—temporal contiguity markers (i.e., cues suggesting that the review was published soon after the service encounter)—increase the persuasiveness of reviews because they lead people to attribute the positive review to the product experience, not the reviewer’s personal motives. Moreover, Hamilton et al. (2014) found that using dispreferred markers aimed at softening the negative information featured in reviews (e.g., “I’ll be honest,” ) leads to reviewers being seen as more credible and resulted in higher willingness to pay for the product being reviewed.

All in all, extant research demonstrates that inferences about the reviews can moderate the effect of review valence on consumer reactions. We suggest that one of those factors influencing judgments is perceived fairness. While previous work on fairness in consumer behavior has typically focused on how the consumer’s own experience is directly impacted by the service treatment (Brockner et al. 2003), our operationalization is that perceived fairness comes not from the consumer’s own service experience, but from the cues that cast doubt on the veracity and self-interested nature of the WOM communication. We postulate that unfair negative reviews signal that the brand is being wronged. Thus, we expect inferences about the unfair nature of negative reviews to lead consumers to experience empathy for the brand, enhancing brand evaluation.

The Role of Empathetic Responding

Empathy is a vicarious response to the assumed emotions of another (Eisenberg 1991; Eisenberg and Miller 1987) which often arises as a response to the suffering of others (e.g., Jackson, Meltzoff, and Decety 2005). Empathetic processing involves viewing another person’s situation from their perspective and understanding how a person will react emotionally and cognitively to that situation as if it were affecting them directly (Granzin and Olsen 1991). Empathy has been shown to be an individual trait difference (Davis 1980) as well as arising from contextual cues.

Within the realms of positive psychology and marketing, empathy has been shown to activate moral concern for other people (Batson et al. 2007), often under conditions where the target has been perceived to have been wronged in some way (i.e., some a standard of fairness or justice has been violated; Hoffman 2001). This sensitivity to moral outcomes for others has been shown to be a powerful source of motivation to restore fairness, either by compensating the victim or by punishing the wrong-doer (e.g., Batson et al. 2007; Carlsmith, Darley, and Robinson 2002; Darley and Pittman 2003).

We build on work showing that empathy will lead to positive and helpful responses to other people who have been wronged in some way, to propose that the same might be true of brands. Indeed, brands can be seen as having person-like qualities (Aaker 1997; Fournier 1998). While previous work has shown numerous instances of how brands show empathy for consumers (e.g., Keller 1993; Parasuraman et al. 1988), we propose that customers might also feel empathy for brands. We propose the perception that a negative review is unfair will activate empathetic concern toward the brand, which will then trigger consumer responses aimed at compensating that brand (e.g., willingness to pay, likelihood to recommend, patronage intentions). More formally, we predict:

Hypothesis 1: Negative WOM (e.g., reviews) perceived as unfair will lead to positive ratings and behaviors toward the brand.

Also, we anticipate that feelings of empathy toward the brand will mediate these positive consumer responses to unfair WOM.

Hypothesis 2: Feelings of empathy will mediate the relationship between perceptions of unfairness in negative WOM and positive consumer responses toward the brand.

Finally, given that our conceptual framework, we further predict heightened positive responses to unfair negative WOM under conditions that enhance or allow for the ability to empathize with the brand. For instance, under a predisposition for empathy and following managerial interventions aimed at making the brand more personable.

Hypothesis 3: Factors that increase empathetic responding will moderate the effect of WOM unfairness on consumer responses. In particular, increases in the ability to empathize with the brand will lead to more positive reactions in the face of an underserved negative WOM.

We test the aforementioned hypotheses in three experimental studies. In Study 1, we show the basic effect that unfair negative WOM lead to positive consumer response as well as the mediational role of empathy. Study 2 provides moderation evidence of empathy. Finally, Study 3 shows how managerial actions can facilitate positive response.

STUDY 1

Study 1 provides an initial test of our framework suggesting that unfair negative WOM can lead to even more positive consumer responses than positive WOM. We employed a one-factor, 3-level (WOM type: positive v. negative – fair v. negative – unfair) between-subjects design. Perceived fairness was manipulated through an on-
line review of a local restaurant. We keep all elements of the review the same but vary coffee price across conditions to highlight perceptions of a good or bad deal for the coffee (e.g., price partitioning; Bertini and Wathieu 2008). Specifically, the negative review contained a complaint about a seemingly bad deal (fair condition) or a good deal (unfair condition).

**Method**

**Participants and Design**

One hundred eighty-two participants recruited through Amazon Mechanical Turk took part in this experiment in exchange for money (44% female, $M_{age} = 32.7$). The dependent variable of interest was patronage intentions toward the restaurant covered in the review.

**Procedure**

Participants experienced one of three conditions where they were asked to imagine reading an online review for a local brunch restaurant. Service delivery was kept constant across conditions by having each review describe enjoyment over a “tasty full meal breakfast” with coffee for a total of $12 and by showing the same brunch picture. However, in both negative conditions, the review also contained a negative comment about the price of coffee within the $12 combo. In the negative-fair review, the meal and the coffee were priced at $7.50 and $4.50 respectively. In the negative-unfair review, both items were priced at $11.50 and $0.50 respectively. For mediation purposes, participants rated the extent to which they experienced feelings of empathy toward the restaurant (sympathy, empathy, compassion; 9-point scale, $\alpha = .97$). Participants rated the extent to which, if they were looking for a brunch in a near future, they would consider the restaurant described in the review using two bi-polar 7-point scales: “unlikely-likely,” “improbable-probable” ($\alpha = .98$). To validate our fairness manipulation, participants also rated the extent to which they perceived the review to be fair (fair, deserved, justified, reasonable; 7-point scale $\alpha = .97$).

**Manipulation Check**

Results from an ANOVA revealed a significant main effect of review type on perceived fairness ($F(2, 179) = 60.67, p < .001$) validated our fairness manipulation.

**Results**

For empathy toward the brand, results revealed a significant effect of review type ($F(2, 179) = 25.98, p < .001$). Empathy toward the brand was higher in the negative-unfair ($M = 5.68, SD = 2.37$) compared to the positive ($M = 3.27, SD = 2.05$; $t(179) = 6.28$, $p < .001$) and the negative-fair conditions ($M = 3.16, SD = 1.97$; $t(179) = 6.30$, $p < .001$). There was also no difference in the extent to which participants experienced empathy toward the brand in the negative-fair compared to the positive WOM condition ($t < 1$).

For patronage intention, results revealed a significant effect of review type on patronage intentions ($F(2, 179) = 10.76, p < .001$). Importantly, patronage intentions were higher in the negative-unfair ($M = 4.80, SD = 1.69$) compared to the positive ($M = 4.04, SD = 1.97$; $t(179) = 2.33$, $p < .05$) and the negative-fair conditions ($M = 3.24, SD = 1.67$; $t(179) = 4.63$, $p < .001$). As expected, patronage intentions were higher in the positive compared to the negative-fair condition ($t(179) = 2.48$, $p = .01$).

Next, we tested whether reported feelings of empathy toward the brand could explain patronage intentions using a dummy coding for a multi-categorical mediation analysis (Hayes and Preacher 2013). Results revealed that heightened feelings of empathy toward the brand in the negative-unfair WOM conditions could explain the difference in patronage intentions between the negative-unfair and the negative-fair condition ($B = 1.02, SE = .22, CI_{95} [.65, 1.54]$) and between the negative-unfair and the positive condition ($B = .97, SE = .21, CI_{95} [.62, 1.43]$). In comparison, empathy for toward brand does not account for the difference in patronage intentions between the positive and negative-fair WOM conditions ($B = .04, SE = .15, CI_{95} [-.25, .32]$).

**Discussion**

Study 1 provides initial evidence for both the basic effect and mediational role of empathy. Interestingly, Study 1 suggests that such empathetic responses can be even more positive than those following exposure to positive WOM. Study 2 provides additional support for our explanation relying on empathy by showing how individual differences in trait empathy moderate this relationship.

**STUDY 2**

In study 2, we measure trait empathy and test whether it moderates the positive consumer responses following exposure to unfair negative WOM. We predict that individuals who have a higher predisposition to empathize with others will be more sensitive to the unfairness of the negative review. This is because those high in trait empathy are more sensitive to the negative circumstances of others (Davis 1996; Loggia, Mogil, and Bushnell 2008).

**Method**

**Participants and Design**

One twenty-two participants recruited through an undergraduate subject pool took part in this experiment in exchange for course credit (69% female, $M_{age} = 19.9$). The experiment was a 2 (WOM type: negative-fair vs. negative-unfair) X continuous (trait empathy) between-participants design. The dependent variable of interest was patronage intentions toward the restaurant covered in the review.

**Procedure**

Participants experienced one of two conditions where they read an online review for a local restaurant. In both negative review conditions, the customer complained about having to wait for the replacement of a bowl of soup that was served too cold. In the negative-fair condition, the customer had to wait “30 long minutes” for replacement. In the negative-unfair condition, the customer had to wait “5 long minutes” for replacement. Participants rated the fairness of the WOM ($\alpha = .97$) and their patronage intentions to the restaurant in a near future ($\alpha = .98$) using the same measures as in the previous study. To test for moderation, we measured participants trait empathy using the 7-item Empathetic Concerns scale ($\alpha = .78$) from Davis (1980; e.g., When I see someone being taken advantage of, I feel kind of protective toward them).

**Manipulation Check**

Participants perceived the negative-unfair ($M = 2.93, SD = 1.43$) as less fair compared to the negative-fair review ($M = 4.53, SD = 1.34$; $t(119) = 6.39$, $p < .001$) supporting our WOM fairness manipulation.

**Results**

Results revealed a significant two-way interaction between WOM type and trait empathy in predicting patronage intentions ($B = -1.33, SE = .46, t(117) = 2.47$, $p = .01, CI_{95} [-.24, 1.85]$). This interaction was qualified by a main effect of WOM type ($B = 3.45, SE = 1.71, t(117) = 2.02$, $p < .05, CI_{95} [.07, 6.84]$) and of trait empathy ($B = .98, SE = .37, t(117) = 2.66$, $p = .01, CI_{95} [.25, 1.71]$). Next, we used the Johnson-Neyman technique to examine where along the
continuum of trait empathy participants started to express empathetic responses toward the brand. Results revealed that for participants who scored at 3.51 or above on the empathy scale (31st percentile), the difference between the negative-fair and negative-unfair review on patronage intentions was significant.

Discussion

Results from Study 2 provide additional support for our key prediction that negative reviews can trigger positive consumer responses when they are perceived as unfair. Importantly, our results suggest that such effect starts to operate even among those low in trait empathy but is magnified among those high on trait empathy.

STUDY 3

Study 3 was designed to show how the type of managerial response to negative WOM can increase empathetic concerns for the brand. Since people are more likely to engage with a person rather than an amorphous logo (Epley, Waytz, and Cacioppo 2007) and brands can be perceived as holding humanlike traits and have intentions (Aaker 1997; Kervyn, Fiske, and Malone 2012), we suggest that brands can evoke greater empathy by responding with a personable (vs. generic) type of communication (i.e., by speaking as a firm employee instead of as the brand itself), leading to higher consumer willingness to pay for the brand’s product.

Method

Participants and Design

Seventy-seven participants recruited through Amazon Mechanical Turk participated in this experiment in exchange for money (43% female, $M_{age} = 33.1$). The experiment was a 2 (response type: generic vs. personable) X 2 perceived fairness of the negative review (continuous) between-participants design. The dependent variable of interest was willingness to pay for the brand’s product.

Procedure

All participants were first asked to read a negative online review about a failed order from a brand selling reusable water bottles. The negative review was purposefully crafted to appear weakly supported by having the customer voice dissatisfaction with the brand’s inability to meet an exceptionally high level of service quality. The review was presented with the brand’s response prompting a follow-up with the customer. In the generic (personable) response condition, the response came from the brand’s corporate account (an employee) and directed the consumer to a customer service (employee direct) phone number for further inquiries.

Participants answered measures of perceived fairness of the negative review on two-seven-point bipolar items “unreasonable-reasonable” and “not deserved at all—very deserved” (α = .88) and state empathy toward the brand using the same measures as in previous studies (α = .97). Participants were then shown a featured product from the brand (a 24 oz. stainless steel water bottle) and asked to report their willingness to pay for that product—using a slider ranging from $0.00 to $20.00. Response type did not significantly influence perception of deservingsness of the negative review (r = .14, p > .20). Finally, as a manipulation check, participants also rated the extent to which they perceived the brand to have positive anthropomorphic qualities between the personable ($M = 6.56, SD = 1.89$) and generic response ($M = 5.58, SD = 1.70$; $t(75) = 2.40, p < .05$) conditions, using four 9-point items: “personable,” “approachable,” “amicable,” and “friendly”; 1: not at all, 9: very much (α = .95).

Results

The results revealed a significant interaction between perceived fairness of the negative review and response type on willingness to pay ($B = -1.40, SE = .53, t(73) = 2.61, p = .01$). For participants who rated the negative review at 1.99 or below on the perceived deservingsness scale (14th percentile), willingness to pay for the product was significantly higher in the personable response type compared to the generic response type. In contrast and although not foreshadowed in our predictions, for participants who scored at 5.82 on the perceived fairness scale (87th percentile), willingness to pay for the product was significantly higher in the generic response compared to personable response type.

Conditional Indirect Effect

We further tested for mediation by feelings of empathy toward the brand conditional on how perceived fairness of the negative review. We observed a significant indirect effect between response type and willingness to pay through empathy when participants perceived the negative review as unfair (-1 SD: $B = 1.12, SE = 0.70, CI_{95%} [0.11, 2.92]) but not when perceived as fair (+1 SD: $B = -0.03, SE = 0.28, CI_{95%} [-0.85, 0.32]). In other words, consumers who perceived the negative review as unfair were subsequently willing to pay more for the brand’s product when the brand’s response was personable compared to a generic-type response due to heightened feelings of empathy toward the brand.

Discussion

Study 3 provides further evidence to support our empathy-driven account for the relationship between unfair negative reviews and positive consumer responses. In particular, when the brand seemed more relatable and person-like, this led to greater empathy toward the brand and more positive responses in response to unfair (vs. fair) negative reviews.

GENERAL DISCUSSION

Taken together, the results across three studies provide converging evidence that consumers perceiving negative WOM as unfair can subsequently display positive responses toward the firm due to empathetic feelings toward the brand. Across three studies, we show that perceptions of unfairness result in positive brand outcomes. We show that this is due to enhanced empathy for the brand (S1), moderated by trait empathy (S2), and can be achieved through managerial interventions (S3).

This paper contributes to growing literature examining consumer inferences regarding online WOM (e.g., Chen and Lurie 2013; Moore 2015). While previous work has, for the most part, focused on identifying the conditions under which negative WOM leads to negative reactions, we show that consumers’ perceptions of fairness of negative reviews can enhance brand evaluations. Thus, the current research offers two primary theoretical contributions. First, our results build on and extend past research showing that cues within WOM can subsequently influence consumer judgments about the brand (e.g., Chen and Lurie 2013; Hamilton et al. 2014; McGraw, Warren, and Kan 2015) by bringing to light the role of (un)fairness.

Second, while research has reported numerous instances of consumers being concerned about brands feeling empathy for them (e.g., Parasuraman et al. 1988), we suggest that such relationship may be bi-directional wherein consumers can also experience empathy for brands. Specifically, the current research suggests an empathy-driven mechanism whereby negative WOM triggers positive brand responses, even in light of negative information about the brand. Thus, we contribute to extant knowledge on empathetic reactions in consumption (e.g., Aaker and Williams 1998; Argo et al. 2008; Escalas and Stern 2003). In doing so, we highlight that companies...
can enhance empathetic relationships with consumers and inoculate themselves against negative WOM.

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