The Double-Edged Sword of Social Closeness in Gift Giving

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Whose gifts are kept longer: a gift from a close or distant friend? Counter-intuitively, four studies suggest that people expect to retain gifts longer from distant (versus close) givers when price or quality information is available. This effect is mediated by an expectation of increasing future closeness with distant givers.

[to cite]:

[url]:
http://www.acrwebsite.org/volumes/1024246/volumes/v45/NA-45

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EXTENDED ABSTRACT

Consumers constantly decide what to bring into their lives, from people (who to date) to places (where to live) to products (what to buy). Beyond such what questions, any acquisition necessitates a subsequent, unexamined question: How long will I keep it? We examine this concept of retention, or the duration over which consumers maintain possession of something. To probe retention, we first present a series of three pilot studies that tests a straightforward prediction relating retention to gift giving. Specifically, people retain gifts for a longer period of time when they come from socially closer others. We then identify a condition (explicit consideration or inclusion of gift quality information) that causes this pattern of retention to reverse (longer retention for gifts from distant others) as a function of gift recipients’ shifting expectations for their social connection with gift givers in the future. Practical implications for gift giving as well as theoretical relevance for future research on retention are discussed.

In a set of three pilot studies, we document the obvious conclusion that people keep gifts longer when they receive gifts from socially closer (versus distant) givers. Throughout, we find longer retention for gifts from objectively and subjectively closer others, across a range of retention measures – viz. prospective retention (“How long will I keep this new item?”); retroactive retention (“How long did I keep a former possession?”); and a combination of the latter (“How long have I had this, and how much longer should I hold onto it?”). We then tested whether this pattern would maintain when the price of the gift is revealed. Counterintuitively, we found in a set of four studies that such gifts are retained longer when they originate from distant givers. In all, when price information was present, retention of a high-priced gift was higher when the gift was from a socially distant giver than from a socially close giver (Studies 1–4). This result was shown to be conditionally mediated by the expectation of increased future closeness with a distant (vs. a closer) gift giver (Study 4). That is, unlike gift givers (and others more generally) that are prima facie socially close, people who stand at a greater social distance have a greater potential to move through that distance in becoming closer. In turn, these expectations for change in connectedness in the future informs decisions in the present.

Study 1 asked participants about their retention intentions for gifts that were low- or high-priced ($10 vs. $75) from a socially distant or close giver. When price information was revealed, the pattern of results was notably different than in our pilot studies: For the low-priced gift, expected retention did not differ between close (M = 105.80 days, SD = 66.26) and distant (M = 118.80 days, SD = 42.85) givers, F < 1, p > .8; but for the high-priced gift, expected retention was significantly higher when it came from a distant giver (M = 1474.60 days, SD = 414.56) compared with a close giver (M = 1226.40 days, SD = 457.83), F(1, 144) = 10.15, p = .002, η² = .07.

Study 2 provides evidence that price is used as a proxy for product quality in retention decisions. Study 2 tested two different prices (as in Study 1) across two different levels of gift quality (“rather low in quality – about a 2 on a 10-point scale” vs. “very high in quality – about a 9 on a 10-point scale”). When quality of the gift was revealed, expected retention was consistently higher when the gift came from a distant friend at both low (M = 504.40 days, SD = 294.67) and high (M = 1430.80 days, SD = 314.69) levels of quality, as contrasted with the expected retention from a close friend at low (M = 368.76 days, SD = 215.39) and high (M = 1328.60 days, SD = 331.19) quality levels.

Study 3 provides discriminant validity between liking of the gift and retention. Using a high- and low-priced pen methodology similar to Study 1 and including a measure of liking, Study 3 found that among participants asked about liking, only a significant main effect of gift price emerged (p < .001), whereas giver distance and the interaction between distance and price two did not prove reliable (ps > .4). The general conclusion appears to suggest that expensive gifts are liked more than inexpensive gifts regardless of who is giving them. Thus, it appears that consumers consider and make retention-related decisions in a manner that is conceptually dissociable from mere liking.

Finally, Study 4 examines the mechanism by which the addition of price information seems to provide a boost in retention for gifts from distant givers: An inferred expectation by recipients of increased closeness with givers in the future. Using new gift and price scenarios, we asked participants not only how long they planned to retain the gift but also how, if at all, they anticipated their relationship with the gift giver would change in the future. While more increased closeness was anticipated for a distant (M = 0.28, SD = 0.61) versus close (M = -0.08, SD = 0.28) giver in the low-priced gift condition, F(1, 96) = 6.15, p = .015, η² = .06., the high-priced gift showed an even larger difference in anticipated increase in closeness between the distant (M = 2.72, SD = 0.61) and close (M = 0.16, SD = 0.47) giver, F(1, 96) = 311.09, p < .001, η² = .76. A reliable indirect pathway emerged for both the close giver (β = 26.23, SE = 15.53; 95% CI = 6.22-73.65) and the distant giver (β = 266.64, SE = 82.90; 95% CI = 97.56-427.98). Crucially, the model estimated the index of moderated mediation at 240.41 (SE = 75.15), and a 95% confidence interval for this estimate did not include zero (90.09-389.89). This suggests that, while gift price-evoked expectations of future relationship change predicted retention in both gift-giver conditions, the psychological process relating price to anticipated change and retention was more impactful in evaluating gifts from a distant (versus close) giver.

Taken together, this research emphasizes the relevance of retention as a conceptual variable. It also provides an initial treatment of it as an experimental outcome that allows for novel consumer insights into the relationships between social closeness, price information, and gift retention.
EXTENDED ABSTRACT

The question whether marketers should use one- vs. two-sided messages has received considerable attention in the persuasion literature (e.g., Eisend, 2006), but without straight answers. On the one hand, the inclusion of negative information in a promotional message seems to enhance attitudes and intentions (e.g., Crowley & Hoyer, 1994), whereas, on the other hand, attitudes and intentions can be derogated (Eisend, 2006). We argue that attitude ambivalence could account for these mixed results. Past research demonstrates that attitude ambivalence plays an important (negative) role in influencing attitudes and intentions (e.g., Priester & Petty, 1996). When people are confronted with a two-sided message, this may induce feelings of evaluative conflict (i.e., attitudinal ambivalence) which may lead to lower attitudes and purchase intentions. However, when a two-sided message does not evoke high levels of ambivalence, we expect positive effects on message effectiveness as previously documented in message sidedness literature.

The first objective of this research is to introduce attitude ambivalence as an explanatory factor for prior inconsistent results concerning the effectiveness of one- vs. two-sided messages (study 1). We know that ambivalent attitudes are generally more susceptible to persuasion (van Harreveld et al., 2009). Most research focuses predominantly on the underlying reasons why (e.g., because they are less strong, or because they are a source of psychological discomfort which people want to resolve). Instead, our research focuses on refutation as a tool to get people with highly ambivalent attitudes ‘off the fence’ (study 2). Next, study 3 introduces refutation on the same vs. different product attributes as a moderator of these effects. This work advances the literature on ambivalence and message sidedness, while also providing hands-on recommendations to practitioners dealing with cases of high ambivalence.

137 undergraduate students were randomly assigned to one of four conditions in a 2 (one- vs. two-sided) by 2 (high vs. low ambivalence) between-subjects factorial design. They were shown a set of equally important attributes that described an MP3 player. Message sidedness was manipulated by providing either only positive or both positive and negative product attributes. Low vs. high ambivalence was manipulated by varying the amount of attributes, in line with prior research (Priester, Petty & Park, 2007). We found significant interaction effects for attitude towards the MP3-player and purchase intention. As expected, two-sided messages only yield more positive attitudes and intentions when ambivalence is low (vs. high). Hence, when designing two-sided messages, marketers should avoid creating ambivalent situations, because ambivalence offsets the positive effects of two-sided messages on message effectiveness.

Study 2 tests whether a refutational statement in a two-sided message increases message effectiveness when ambivalence is high. The intent of two-sided refutational messages is to first introduce an opposing view, and subsequently demonstrate why this opposing view is inferior (Allen, 1991). A non-refutational two-sided message merely offers both views while not refuting the opposing view in the message. We argue that a refutation can uplift message effectiveness in ambivalent individuals. 106 MTurk participants were randomly assigned to one of four conditions in a 2 (two-sided nonrefutational vs. refutational) by 2 (high vs. low ambivalence) between-subjects factorial design. Study 2 was identical to the previous one except for some modifications: (a) only two-sided messages were used, (b) a different product stimulus was used to generalize across products: a notebook, (c) the attributes were pretested on their importance level, and, finally (d) measures of negative and positive WOM were included. The results show significant interaction effects: in case of high ambivalence, refutational two-sided messages lead to higher attitudes, purchase intentions, and proportionally more (less) positive (negative) WOM (compared to non-refutational two-sided messages). Hence, a refutation may overcome the perverse effects of ambivalence in two-sided messages.

Study 3 examines whether the nature of the refutation matters. Refutational statements can be based on the same or different product attribute levels, for example: “This laptop has a short battery autonomy, but on the other hand the battery charges exceptionally fast” (same attribute) vs. “This laptop has a short battery autonomy, but on the other hand this model has many USB ports” (different attribute). We test whether refutation on the same vs. different attributes in a two-sided message amplifies attitudes, purchase intentions, and WOM. 305 participants of an online respondent panel were randomly assigned to one of six conditions in a 3 (two-sided non-refutational vs. two-sided refutational on the same attribute vs. two-sided refutational on a different attribute) by 2 (high vs. low ambivalence) between-subjects factorial design. Study 3 was similar to study 2 except (a) the same vs. different product attribute level refutational statements were manipulated by tailoring the type of product attribute(s). The results show that among high (vs. low) ambivalent individuals, same-attribute refutations lead to significantly proportionally more (less) positive (negative) WOM and higher purchase intentions (vs. different-attribute refutations or non-refutational two-sided messages). Among individuals with low (vs. high) ambivalence, refutational two-sided messages, irrespective of whether they are based on the same or different product attributes, lead to significantly lower purchase intentions and proportionally less (more) positive (negative) WOM (vs. non-refutational two-sided messages). Hence, a two-sided message with a focus on the same attribute is more persuasive while addressing highly ambivalent people.

This research shows that attitude ambivalence explains previous inconsistent results concerning two-sided messages’ effectiveness. That is, two-sided messages only yield more positive attitudes and intentions when ambivalence is low (vs. high) (study 1). However, in study 2, we show that this perverse effect of ambivalence in two-sided messages can be resolved by including a refutation. In other words, a refutation can persuade ambivalent individuals. Study 3 shows this only works if the refutation is on the same product attribute-level. While it is known that ambivalent individuals evaluate relevant stimuli more deeply to resolve their ambivalence, further research can explore whether refutation based on the same (vs. different) product attributes is perceived as more salient, more complete, or more successful in reducing anticipated conflict, allowing ambivalent individuals to form stable attitudes and intentions.