Novelty As Risk and Opportunity: Opposite Effects of Low Personal Control and Perceived Unpredictability on Novelty Seeking

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Across six studies, we found that perceptions of unpredictability (vs. predictability) increase novelty-seeking, whereas perceptions of low (vs. high) personal control decreases novelty-seeking. These opposite effects may come from interpretations of novelty that emphasize risk under low personal control but opportunity under low predictability.

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Paper #1: I Can Do More with My Time, but Less with My Money: The Role of Control on Resource Efficacy Perceptions

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Paper #2: Novelty as Risk and Opportunity: Opposite Effects of Low Personal Control and Perceived Unpredictability on Novelty Seeking

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Paper #3: The Surprising Effects of Attitude Certainty on Advocacy and Advocacy Receptivity

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Paper #4: Desire to Learn About the Category Sparks Preference for Authenticity

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OVERVIEW

Consumers are inherently motivated to have mastery of the environment, which leads them to seek control and certainty. A voluminous literature has shown that situations in which consumers feel out of control or uncertain are threatening to the self (Dow et al. 1992; Kay et al. 2008), which primarily highlights the downside of such states. Yet, low control and uncertainty may not always have detrimental effects on consumer behavior. The four papers of this session address a set of related questions focused on potential benefits of such ‘aversive’ states.

The first two papers of the session deal with the downstream consequences of low control on consumer belief and choice, differentiating its upsides and downsides. Han, Samper, and Gershoff document how a feeling of low (vs. high) control affects consumers’ perceptions of two resources: time and money. They find that while incidental low (vs. high) control decreases consumers’ money efficacy perceptions, it also increases their time efficacy perceptions. This is because time is perceived as more self-representative compared to money. They also show that low (vs. high) control leads consumers to have higher expectations about outcomes when spending time, but lower expectations when spending money. Min and Schwarz differentiate two aspects of low control that have been treated as equivalent and subsumed under a generic “control” label: perceptions of unpredictability and low personal control. They show that perceptions of unpredictability (vs. low personal control) give rise to different perspectives on novelty (opportunity vs. risk, respectively), hence thinking about an unpredictable world actually increases novelty-seeking whereas thinking about a lack of personal control decreases novelty-seeking.

The second two papers of the session focus on potential advantages of uncertainty in the context of consumer belief and choice. Cheatham and Tormala look at the effectiveness of advocacy messages depending on the level of perceived certainty about one’s attitude toward an issue (e.g., labeling of GMO foods, banning/taxing of high sugar drinks). They find that consumers who hold less certain attitudes are perceived as actually more persuasive than certain advocates, when advocates and recipients have dissimilar (vs. similar) views. Their work provides evidence that uncertainty can be more persuasive than certainty under some conditions. He, Carpenter, and Grayson identify a novel antecedent of preference for authenticity: uncertainty about a product category. They show that authenticity is more preferred when consumers are uncertain about a product category than when they are certain and familiar with the category. Authentic options are perceived as more prototypical and representative of the unfamiliar category, thereby providing an opportunity to reduce uncertainty (i.e., learn) about that category. They demonstrate that this learning mechanism is distinct from a risk-reduction account.

Taken together, the combination of the current work contributes to shifting perspectives on the effects of low control and uncertainty by providing convergent support for their favorable effects on consumer belief and choice and demonstrating when and how they can do good. We expect this session to generate significant interest among researchers investigating control, uncertainty, and consumer choice-making and evaluation more broadly.

I Can Do More with My Time, but Less with My Money: The Role of Control on Resource Efficacy Perceptions

EXTENDED ABSTRACT

As consumers, we all use resources such as time and money to obtain the outcomes we want. However, even though a unit of resource should have a fixed objective value, incidental factors may influence how people view their resources (e.g., Soster, Gershoff, & Bearden, 2014) including those in which participants earn and spend real resources and evaluate real products, explore this bottom dollar effect. This research contributes prior mental accounting research regarding how costs influence decision making (e.g., bundling, coupling, sunk costs). It is important to understand how certain factors impact consumers’ evaluation of resources, since such evaluations can further affect consumer expectations and satisfaction. In this paper, we show that while incidental low (vs. high) control increases people’s time efficacy perceptions, it decreases people’s money efficacy perceptions. Moreover, we find that this change in resource efficacy perception has commensurate effects on consumer expectation and satisfaction.

Since the belief that one has control is integral to the self (Sik- ner, 1995), incidental events that make one feel low control can be perceived as a threat to the self (e.g., Chaxel, 2016). Past work shows that one way in which people respond to such threats is by becoming defensive, where they reinforce their personal beliefs or engage in compensatory behavior (Hart et al., 2009). Alternatively, the literature also suggests that people can become more conservative, where they become more cautious during decision-relevant information search (Fischer et al., 2011). Yet others have found contradictory effects. The present series of 5 studies consistently found that the crucial moderator for these inconsistent findings was whether the induced threat was contextually related to the subsequent decision and information search tasks. Contextual incongruence (e.g., an induction of terrorist threat followed by an economic decision case). Importantly, past work shows that whether people become defensive or conservative in response to a threat depends on the relevance of the subsequent task to the threat itself (Fischer et al., 2011). Yet others have found contradictory effects. The present series of 5 studies consistently found that the crucial moderator for these inconsistent
findings was whether the induced threat was contextually related to the subsequent decision and information search tasks. Contextual incongruence (e.g., an induction of terrorist threat followed by an economic decision case) is a threat to the self, low control could lead to defensive processing for self-relevant evaluations, whereas it could result in conservative processing for non-self-relevant evaluations. A pertinent situation is when consumers are thinking of their time versus money resources. Specifically, the literature on consumer resources finds that people view their time (vs. money) as more reflective of the self ( Mogilner & Aaker, 2009; Reed, Aquino, & Levy, 2007) activating time (vs. money, and this could mean that consumers engage in defensive (conservative) processes when evaluating their time (money) resources in response to a threat to the self. Therefore, we predicted that incidental feelings of low (vs. high) control would heighten people’s time efficacy perceptions, whereas it would decrease their money efficacy perceptions. We tested these predictions across four studies.

In study 1, we manipulated control by having participants read a purported science article on how effort (high control) or genes (low control) are responsible for people’s life outcomes (Cutright & Samper, 2014) what role should products play in helping consumers pursue their goals (e.g., losing weight, maintaining a clean home). Next, we measured people’s resource efficacy perceptions using an adapted version of the Instrumentality of Money Scale (Duclos, Wan, & Jiang, 2013). As expected, the data revealed a significant interaction effect (F(1, 166) = 7.36, p < .01). Moreover, simple effects analyses showed that low (vs. high) control people felt higher time efficacy perceptions (F(1, 166) = 3.54, p < .06), but lower money efficacy perceptions (F(1, 166) = 3.84, p < .05). The results provided initial evidence that threats to control differentially affect time vs. money resource efficacy perceptions.

Study 2 investigated the underlying process of our effect. Here, we measured perceived self-representativeness of the resource in addition to manipulating control and measuring people’s perceived resource efficacy. First, the results again yielded a significant interaction effect (F(1, 235) = 8.91, p < .01). Also, low (vs. high) control people felt higher time efficacy perceptions (F(1, 235) = 6.37, p < .01), whereas they felt marginally lower money efficacy perceptions (F(1, 235) = 2.88, p < .09). Importantly, as our theory would predict, a moderated model using the PROCESS macro (model 15; Preacher & Hayes, 2004) formal significance tests of indirect effects are rarely conducted. After a brief overview of mediation, we argue the importance of directly testing the significance of indirect effects and provide SPSS and SAS macros that facilitate estimation of the indirect effect with a normal theory approach and a bootstrap approach to obtaining confidence intervals, as well as the traditional approach advocated by Baron and Kenny (1986) that perceived self-representativeness of the resource was driving the differential effect of low (vs. high) control on time versus money (95% CI in low control: [0.0189, 0.2164], high control: [-0.0395, 0.1842]).

In study 3, we examined the downstream consequences of biased resource efficacy perceptions on expected outcomes. In the study, participants first went through a control manipulation task and then were instructed to imagine that they had to use either time or money in order to search for a moving company (Saini & Monga, 2008). After reading the scenario, we measured participants’ resource efficacy perceptions and also their expectations toward the moving company. First, there was a significant interaction effect of control and resource type on efficacy perceptions (F(1, 146) = 11.15, p < .001), where the mean patterns replicated previous results. Moreover, there was a significant interaction effect of control and resource type on expected outcomes (F(1, 146) = 8.73, p < .004), where low (vs. high) control people had higher expectations when spending time (F(1, 146) = 6.38, p < .01), but marginally lower expectations when spending money (F(1, 146) = 2.76, p < .09). Finally, a moderated mediation using the PROCESS macro (model 8) revealed that the interaction effect of control and resource type on outcome expectations was driven by the interaction effect of control and resource type on efficacy perceptions (95% CI: [-0.2472, -0.0597]).

Finally, study 4 looked at how perceived control affects post-experience satisfaction. We expected that those who spent resources that were perceived as more efficacious would be less satisfied with the same experience. After completing the control manipulation task, participants read a scenario in which they had spent either 4 hours of work (time) or $50 (money) to purchase a restaurant dinner voucher and further read that the actual dinner was a mix of positive and negative experiences. Subsequently, they were asked how likely they would write a positive or negative review for the restaurant. The data again revealed a significant interaction effect (F(1, 165) = 10.41, p < .002). As expected, low (vs. high) control led to decreased satisfaction when using time (F(1, 165) = 3.79, p < .05), but increased satisfaction when using money (F(1, 165) = 6.88, p < .01).

In short, the current paper finds that incidental feelings of control can differentially impact consumers’ perceptions of time versus money resources and that control can further affect consumer expectations and satisfactions.

Novelty as Risk and Opportunity: Opposite Effects of Low Personal Control and Perceived Unpredictability on Novelty Seeking

EXTENDED ABSTRACT

Novelty can have two different implications in consumer behavior. Trying out new products can offer consumers opportunities to explore potentially superior alternatives (Hirschman 1980) but can also entail risks of handling uncertainty (Kalish 1985; Schiffman 1972). Since the propensities of consumers to adopt novel products play a critical role in forming brand loyalty (Thompson and Sinha 2008), decision making, and preferences (Bianchi 2006; Hekkert et al. 2003), understanding when consumers regard novel products as positive versus negative carries considerable weight.

One stream of research that investigates consumer novelty-seeking concerns the warm glow effect (James 1961; Titchener 1910) which claims that familiarity is associated with security and safety, thus consumers tend to stick with familiar products when they confront problematic situations (e.g., “chicken soup for the soul”). Low control is one of the detrimental states that consumers are motivated to overcome (Janoff-Bulman 1992). Past research on control showed that consumers who lack personal control show aversion to novel products (Faraji-Rad et al. 2016). However, personal control is only one aspect of control; motivation for personal control fulfills the motivation to overcome perceptions of unpredictability/randomness (Hafer and Bègue 2005) so previous research has treated low personal control and perceived unpredictability as two interchangeable causes of low control (e.g., Rutjens et al. 2013). In this research, we examined whether perceptions of unpredictability and low personal control would have the same downstream consequences on novelty-seeking. In contrast to earlier work, we hypothesized that perceptions of unpredictability would increase novelty-seeking, whereas perceptions of low personal control would decrease novelty-seeking. Six studies confirmed these predictions.

In all studies, participants chose 3 chocolate bars from a set of 6 choice options that consisted of 3 familiar (domestic) and 3 unfa-
miliar (international) chocolate bars. In study 1, participants read a news excerpt (from Friesen et al. 2014) and wrote about an event where they felt like the world is unpredictable (vs. predictable) before choosing 3 chocolate bars (which they received for consumption). Those who thought about unpredictability chose more novel items ($M = 1.15$) than those who thought about predictability ($M = .74$; $t(171) = -2.64$, $p = .009$).

Studies 2A and 2B directly juxtaposed two different aspects of low control: perceptions of unpredictability and low personal control. Consistent with previous findings, participants who wrote about an event where they had a complete lack (vs. sense) of control over the situation (from Faraji-Rad et al. 2016) were less likely to choose unfamiliar products ($M_{\text{high-personal-control}} = .99$ vs. $M_{\text{low-personal-control}} = .61$), whereas participants who wrote about the unpredictable (vs. predictable) world were more likely to choose unfamiliar products ($M_{\text{predictability}} = .58$ vs. $M_{\text{unpredictability}} = 1.07$) replicating study 1, yielding a significant 2-way interaction ($F(1, 274) = 14.94, p < .001, \eta^2_p = .052$).

These divergent effects of unpredictability and low personal control highlight that the two constructs are distinct, although they are often treated as equivalent and subsumed under a generic “control” label (e.g., Rutjens et al. 2013). Study 3 added a neutral condition to make comparisons with a baseline. Participants in the neutral condition wrote a short summary about vitamins. This study replicated the 2-way interaction of studies 2A and 2B ($M_{\text{predictability}} = .45$ vs. $M_{\text{unpredictability}} = .95$; $M_{\text{high-personal-control}} = .94$ vs. $M_{\text{low-personal-control}} = .54$; $F(1, 220) = 14.07, p < .001, \eta^2_p = .06$). In addition, participants in the neutral condition ($M_{\text{novelty}} = .96$) showed as much novelty-seeking as participants in high personal control condition and unpredictability condition ($t(85) < .1$), but more novelty-seeking than low personal control condition and predictability condition ($t(85) < .004$). This suggests that consumers may perceive the world as generally unpredictable, but their own personal circumstances as controllable.

These findings presumably reflect that different control manipulations give rise to different perspectives on novelty. An unpredictable world requires flexible adaptation and preparation for change, making novel products an opportunity worth exploring. In contrast, familiar alternatives may be comforting in a context where one lacks an opportunity to exert influence. Study 4 explicitly manipulated these perspectives. It replicated all conditions of study 3 while adding conditions that highlighted that new products can be seen as new opportunities (opportunity framing) versus risks resulting in wasted resources (risk framing). The replication conditions reproduced the interaction pattern observed in studies 2 and 3. The frame manipulations produced the expected results in the absence of any control manipulation (i.e., increased novelty-seeking under opportunity framing and decreased novelty-seeking under risk framing). More important, the choices of the participants exposed to unpredictability resembled those under opportunity framing and the choices of the participants exposed to low personal control resembled those under risk framing.

These findings highlight that thinking about an unpredictable world differs from thinking about a lack of personal control, despite a long history of treating both manipulations as interchangeable. Whereas an unpredictable world fosters the exploration of novel products, a lack of personal control impairs it. We discuss the conceptual implications for theories of control, highlighting the need for distinctions, and note their implications for consumer behavior.
opinion is clear and correct. While low certainty fostered significantly more expressions of a desire for conversation, a desire for more information, interest in opposing viewpoints, as well as hedging or qualifying statements.

In study 2 (N=583) we aimed to explore how advocacy across the certainty spectrum was perceived by either pro- or counter-attitudinal others. Participants were first asked to report their attitude and attitude certainty toward an issue from study 1, followed by instructions to read one of the messages written by the former participants, such that each new participant in study 2 read one of the participant’s messages from study 1. Participants were then asked to rate those messages on a number of dimensions including receptiveness to the views of the advocate, openness to the views of the advocate, how convinced they were by the message, how interested they were in the message, and how reasonable they felt the advocate was. Importantly, as predicted, all of the above items showed a significant interaction (all ps<.05) between study 1 certainty condition and initial attitude agreement between advocate and recipient. We found consistent evidence suggesting that when recipients generally agreed with advocates, in other words if the participants’ attitude from study 1 aligned with the new participants’ attitude in study 2, they had a preference for highly certain attitude advocacy messages; however, this relationship was eliminated or reversed when recipients generally disagreed with advocates.

In sum, using a two-study yoked design, we found that when the advocate and recipient have similar views on an issue, highly certain attitude advocacy is perceived to be more persuasive than moderate or low certain advocacy. When advocates and recipients have dissimilar views, however, low certainty advocacy appears to be seen as more persuasive. This finding suggests that there are contexts in which uncertain advocacy expressions can be more successful than more certain advocacy expressions. This work builds on limited past research showing that uncertainty can be more persuasive than certainty under some conditions (Karmarker & Tormala, 2010). Implications for understanding and eliciting advocacy in consumer contexts will be discussed.

**Desire to Learn About the Category Sparks Preference for Authenticity**

**EXTENDED ABSTRACT**

Authenticity as a brand concept has become popular among marketing practitioners; indeed, some view authenticity as fundamental to brand success (The Economist 2015; Gilmore and Pine 2007). Despite the apparent importance of authenticity in marketing practice, a fundamental question remains under-examined in consumer behavior research: what psychological factors drive preference for authentic options? Our research identifies a novel antecedent of preference for authenticity.

Authenticity is often defined as what is real or genuine (Grayson and Martinec 2004). The present research demonstrates that greater preference for authentic options can manifest in unfamiliar product categories, relative to familiar categories. We suggest that in an unfamiliar product category (e.g., Ethiopian restaurants), a natural motive arises to learn about – thus reduce uncertainty regarding – the category. In such situations, consumers have a stronger preference for authentic options than they would in a familiar category (e.g., Italian restaurants) because authenticity is associated with a greater opportunity for category learning. Specifically, we hypothesize that in unfamiliar categories, authentic options are perceived to be more prototypical or representative members of the category. Due to their representativeness, authentic options facilitate greater learning about what the category is like. Moreover, we distinguish this “learning” account from a “risk-reduction” account. A risk-reduction account predicts that in an unfamiliar category, consumers would prefer a “safe” option, and the perceived typicality of the authentic option may also cause it to be viewed as safer. However, we find that preference for the authentic option persists despite the existence of another, safer alternative in the set.

**Experiment 1.** A 2 (category: familiar vs. unfamiliar) x 2 (attribute type: regular vs. authentic) mixed design was used to test our hypothesis. Participants (N=97) were randomly assigned to rate a series of attributes for Italian restaurants (familiar) or Tunisian restaurants (unfamiliar). They rated their preference for four “regular” attributes (e.g., service, menu options, etc.) as well as four attributes that connoted authenticity (e.g., chef was trained in Italy [Tunisia], spices imported from Italy [Tunisia], etc.). Participants subsequently rated how authentic each attribute was of Italian [Tunisian] restaurants, how typical, as well as several measures assessing their familiarity with the category (α=.95).

The familiarity manipulation check confirmed that participants were more familiar with Italian restaurants (M=4.95) than Tunisian restaurants (M=1.84), t(95)=13.95, p<.0001. The authenticity manipulation check revealed that attributes intended to convey authenticity were indeed rated as more authentic (M=6.52) than the regular attributes (M=4.64), p<.0001. This was true across both the familiar category (p<.0001) and unfamiliar category (p<.0001).

The core dependent measure of preference showed a main effect of the authenticity factor, p<.0001. Overall, regular attributes (M=5.87) were more preferred than authentic attributes (M=5.24). Importantly, a significant familiarity x authenticity interaction emerged, p<.0001. Authentic attributes were more preferred when the category was unfamiliar (M=5.60) versus familiar (M=4.89), p=.0001. In contrast, preference for regular attributes did not differ across familiar (M=5.98) and unfamiliar categories (M=5.76), p=.214.

The proposed mediator of typicality exhibited a familiarity x authenticity interaction, p<.0001. Authentic attributes were perceived as more typical in the unfamiliar (M=5.57) compared to familiar category (M=4.69, p<.0001), whereas regular attributes did not differ in perceived typicality (M_{unfamiliar}=4.68 vs. M_{familiar}=4.91, p=.205). Moderated mediation analysis revealed that for authentic attributes, typicality mediated the effect of category familiarity on preferences (b=-0.31, p<.001, bootstrapped C.I. [0.19, 0.44]). In contrast, for regular attributes, typicality did not significantly mediate preferences (b=-0.06, p>.05, bootstrapped C.I. [-0.11, 0]). This provides initial evidence that in unfamiliar categories, authenticity is preferred because it is viewed as more typical of the category, and thus facilitates category learning.

**Experiment 2.** This experiment distinguished the proposed learning account from risk-reduction. We assessed choice of an authentic option when another alternative in the set was indicated to be more certain (less risky), versus when such indication was absent. Participants (N=202) were assigned to conditions in a 2 (category: familiar vs. unfamiliar) x 2 (certainty information: present vs. absent) between-participants design. Participants read short descriptions of three Ethiopian or Italian restaurants and were asked to make a choice. One of the descriptions was constructed to indicate authenticity: the restaurant’s chef was trained in Ethiopia [Italy]. In the certainty-information absent conditions, only the descriptions were presented. In the certainty-information present conditions, the number of reviews for each restaurant was shown: the authentic restaurant had the fewest reviews (less than 50; least certain), while the safe option had five times more reviews (most certain), and the
other option had an intermediate number. Average rating was held constant. Participants also rated the perceived authenticity, typicality, and certainty regarding each restaurant.

Manipulation checks showed that participants rated the restaurant with the chef as more authentic than the other two options (ps<.001), and this was true across both categories. The authentic restaurant was also rated as more typical on average than the others (ps<.001), but consistent with experiment 1, significantly more so in the unfamiliar (M=5.77) than familiar category (M=5.25), p=.006. Lastly, the option with the most reviews was rated as more certain or safer (M=5.38) than the authentic option (M=4.74) when review information was present (p<.001), and equivalently certain when this information was absent (M_{vs=5.77} vs. M_{authentic}=4.88; p=.941).

A logit model of choice with the two factors and their interaction revealed only a significant main effect of category familiarity: a greater percentage of participants chose the authentic option when the category was unfamiliar (M=46.0%) versus familiar (M=32.4%). The two-way interaction was not significant (p=.61). Thus, preference for authenticity under unfamiliarity persisted despite the presence of a safer option, thereby ruling out a risk reduction account.

The present research demonstrates a novel mechanism – category learning – that drives consumer preference for authenticity. This work deepens marketers’ understanding of when consumers value authenticity in products and brands.

REFERENCES

Overview


Paper #1


Paper #2


Paper #3


Paper #4