Examining the Effect of Gender on Thinking Style, Price-Quality Perceptions, and the Actual Prices That Consumers Pay

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Using student sample, adult sample, and real-world data, six studies showed that gender influences the thinking style, price-quality perceptions, and the final prices in the marketplace; men are more likely than women to believe that “you get what you pay for,” and they pay a high price for this misconception.

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EXTENDED ABSTRACT

Consumers’ generally associate higher prices with higher levels of quality (e.g., Dawar and Parker 1994). Nevertheless, the relationship between price and objective quality in the marketplace is not always strong or even positive (e.g., Boyle and Lathrop 2009). This could be explained by either consumers’ lack of access to product information (which is unlikely as we live in the age of information) or their resistance/inability to assimilate the available information to modify their price-quality judgments (ELM; Petty and Cacioppo 1986). The current research is built on this latter assumption and attempts to answer the following question: What is the effect of gender on consumers’ price-quality perceptions?

Selectivity Model (Meyers-Levy and Maheswaran 1991) suggests that women (men) have a systematic (schematic) thinking style, and they have a higher (lower) tendency to search for more details in the decision-making process. Therefore, it could be posited that men should be more likely to use price-quality heuristics to make product judgments; whereas, women should be more prone to make their quality judgments based on a wider range of available information. Furthermore, if the price has a stronger effect on men’s than on women’s perception of quality, the average prices of men’s products should be higher than the average prices of comparable women’s products.

In nine studies, which employed survey research, experimental research, and observational research methods to achieve methodological triangulation, we investigated the effect of gender on consumers’ motivation/ability to process the information (studies 1 and 2), their price-quality perceptions (studies 3 and 4), and the actual prices that they pay for similar products (studies 5a-5e). Next, the findings of these studies are briefly reported next.

Study 1 was designed to measure the effect of gender on consumers’ ability to pay attention to readily available information and form accurate judgments in the context of the print advertisement. Respondents were randomly assigned to one of two advertisement conditions, one of which had a manipulative ad claim. Results showed that type of ad affected women’s attitude towards advertisement. But men did not notice the suspicious claim in the manipulative advertisement.

Study 2 was designed to investigate whether gender influences consumers’ ability to make accurate judgments of the product quality based on the available product information. Respondents were randomly assigned to one of two conditions that entailed a table of information about 25 brands of digital camera. Next, they evaluated the quality of ten fictitious models of a digital camera based on the information that they had reviewed. Findings suggested that women’s judgments of the relationship among product attributes corresponded with the information that they had reviewed; whereas men’s judgments did not reflect the presented information in the tables.

Study 3 was designed to provide an initial examination of the potential effect of gender on the general-price-quality perceptions. Respondents answered several questions in a survey. Results showed that the price-quality perception was significantly stronger in men than in women. Furthermore, the average price-quality perception score was significantly above the midpoint value of 4.0 for men, but not for women.

Study 4 was designed to establish the generalizability of the findings of study 3 by employing a more rigorous research method. Participants were randomly assigned to one of two conditions in which they reviewed the information of three brands of digital camera. One of them was the target brand, Rumax, and the other two (i.e., Nikon and Canon) provided baseline price information. The presented information in both conditions was identical except for the price of the target camera which was either $80 or $130. After reviewing the brand information, participants were asked to examine two photos ostensibly taken by Rumax. Findings showed that price created a placebo effect in men and they had a more positive judgment of the pictures that they thought were taken by a more expensive camera. Whereas, the effect of price on women’s judgment was not statistically significant.

In study 5a-5e, we collected the available information of 4200 athletic shoes, 3800 formal shoes, 781 suits, 909 jackets, and 597 socks, from Amazon.com. Findings of studies 5a-5e alongside the findings of 5 pretest studies suggested that regardless of the product type, men always paid a higher price to buy comparable products than women did. The price premiums that men paid ranged from 17% in the socks product category to 84% in the formal shoes product category. Furthermore, findings showed that the observed price difference in men’s versus women’s product categories was not attributable to consumer involvement, shopping frequency, type of product, manufacturing cost, online review information, available product information, and brand name.

General Discussion

Current study makes several substantive contributions to theory and practice. First, to our knowledge, this paper is the first to show that gender influences consumers’ price-quality perceptions (studies 3 and 4). Second, this paper provides further empirical support for selectivity model (studies 1 and 2). Third, this research contributes to the advertising literature by showing that gender affects the target audience’s attitude towards the deceptive advertisement (study 1). Fourth, this paper contributes to the digital marketing literature by showing that the effect of online review valence is greater than the effect of online review volume on a product’s price (studies 5a-5e). Finally, this paper offers important practical implications. Findings suggest that opposite pricing strategies could be used for men and women product categories to increase the profitability (studies 5a-5e).

REFERENCES