Asia-Pacific Advances in Consumer Research

Volume 9

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Asia-Pacific Advances in Consumer Research, Volume 9

(Duluth, MN: Association for Consumer Research, 2011)
Preface

The sixth Asian-Pacific conference of the Association for Consumer Research was held from June 16-18, 2011. We were privileged to have Renmin University of China as the host of the conference. This proceedings contains abstracts and complete papers of presentations that were given in competitive paper sessions, special topics sessions, roundtables, poster sessions, and the film festival.

As we began the process of soliciting submissions and reviewers, we were excited by the tremendous amount of interest in the conference, as well as the support and spirit of volunteerism that helped make our job of managing and completing the review processes so much easier. We accepted 100 of 143 competitive paper submissions (69.9%), 53 of 63 poster proposals (84.1%), and 2 of 4 special session proposals (50%). In addition, we accepted 3 films and 5 roundtable proposals. We are grateful for hundreds of reviewers whose names are listed in this program.

We also wish to thank those who organized special sections of the conference. Russ Belk and Rob Kozinets once again put together a wonderful schedule of provocative, increasingly professional films from scholars who are now choosing this venue a way to disseminate their research. Yubo Chen and Rongrong Zhou served as chairs for the poster session. Yubo Chen also helped compile the proceedings. Ekant Veer served as the roundtable chair and also created an informative Facebook page for this conference. We are grateful for their important contributions to the conference.

It takes a global village to produce a conference such as APACR, and there are many people who deserve additional thanks: Rajiv Vaidyanathan, Executive Director of the ACR, for his advice and encouragement; our webmaster Alex Cherfas of ChilleeSys, Inc. for his patient and prompt management of the conference website; and graduate students at Renmin University of China, University of Arizona, University of Western Ontario, Tshinghua University, and University of Rhode Island who helped with various aspects of the conference. We would like to thank faculty and staff in the business school of Renmin University of China for their tremendous support and hard work for this conference, who are Jiye Mao, Yilin Lv, Ting-Jui Chou, Jidong Han, En-Chung Chang, Jun Pang, Riliang Qu, Yajun Zhang, and Sha Zhao. En-Chung Chang played a critical role to facilitate communications between western and Chinese organizers during the planning and preparation for the conference. Sha Jin volunteered numerous hours for compiling and formatting the proceedings. We thank our families for their support before and during the conference, which enabled us to have the energy and enthusiasm for putting APACR together. Finally, we would like to thank the ACR Board for giving a positive nod to our proposal to host APACR 2011 at Renmin University of China. We hope the experience was excellent!

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SPECIAL THANKS TO

ACR Executive Director
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Renmin University of China
Beijing, China

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Chair: Ekant Veer, University of Canterbury, New Zealand

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Alexandra Bokeyar, University of Technology Sydney, Australia

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Chair: Guang-Xin Xie, University of Massachusetts Boston, USA
Discussion Leader: Lan Xia, Bentley University, USA

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Laurence Ashworth, Queen’s University, Canada*
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Chair: Miao Hu, Northwestern University

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Chair: Huan Yan, Renmin University of China

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Nik Dholakia, University of Rhode Island, USA
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Linda Price, University of Arizona, USA
Jonathan Schroeder, Rochester University of Technology, USA
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Asian Americans

Throughout the late 19th and early 20th centuries, Asian immigrants were lured to Hawaii and to the U.S. mainland to work as laborers. By the early 20th century, when Asian immigrants arrived in the U.S., they entered a culture that already included a strong anti-Asian sentiment largely motivated by the threat that Asian workers posed to other people’s jobs. Immigration of Asian Americans accelerated as a result of U.S. war involvement from the 1940s to the 1970s, and in 1965, the Hart-Celler Act eliminated highly restrictive “national origins” quotas. The technology boom of the 1990s brought another influx of Asian immigrants with a large number of Asian Indians moving to the U.S.

RESEARCH METHODOLOGY

Content analysis was used to analyze fifty years of advertisements in Sports Illustrated magazine. In the study, 1031 advertisements were coded for the presence, number, and color of models featured in each ad, and apparent ethnicity of any models featured in each ad. Those containing models of color were further analyzed as to their position and role in the advertisement.

African American Images

African Americans were virtually invisible in advertisements through 1970. Following the Civil Rights movement, there was a sudden shift in the prominence of African American models in ads in Sports Illustrated with African American models presented in foreground of the ads. In addition, they also began to increase in number as well. In the 1980s there was an explosion in the number of ads that included African American models. By 2000, African Americans accounted for 12.3% of the U.S. population, but appeared in 22% of ads between 1995 and 2004. By the end of the 20th century, African American celebrity models were common in Sports Illustrated and the media at large. At the same time the incidence of multicultural representations in ads also increased in a variety of product categories targeted to broad male audiences. Several recent works have explored the popular cultural dominance of African-American culture, models and celebrities in the U.S.

Hispanic American Images

Although the first Hispanic image identified in the study sample was in 1969, Hispanic American models did not increase in prominence or popularity at the same rate as African American models. In 2000, Hispanics made up 12.5% of the U.S. population, but appeared in only 22% of ads between 1995 and 2004 compared to 22.0% of ads for African Americans. Although there have been few clearly Hispanic models represented in SI, there has been a move away from models with blond hair and blue eyes in favor of models with brown hair and brown eyes.

Asian American Images

In 2000, Asian Americans made up 3.6% of the U.S. population and were the fastest growing ethnic minority in the country. However, Asian Americans remained largely invisible. Between 1995 and 2004, Asian Americans...
appeared in only 1.9% of the ads in the study sample. Although there has been an increasing use of Asian American models, their appearance in ads is still a rarity in *Sports Illustrated* as well as other advertising vehicles.

**Conclusion**

The importance of African-Americans in sports and popular culture is clearly demonstrated in the manner and frequency in which they are featured in *Sports Illustrated* advertisements. As the cultural status of Hispanic Americans and Asian Americans rises, consumers will demand to see more representations of those groups in advertisements as well.

The cultural lens through which we view ethnic imagery and the expectations that consumers have developed favor multicultural representations in the media. Consumers were willing, if not anxious, to see increasing multicultural representations in advertising.

**Tea for Two: Why Japanese Tea Ceremony is a Joy**  
_Junko Kimura, Hosei University, Japan_  
_Hiroshi Tanaka, Chuo University, Japan_

This study aims to anatomize the mechanism of luxury generation in the Japanese tea ceremony. Based on detailed interviews, we found that (1) Teamwork, (2) Theme-orientation, and (3) Game, are the three key concepts which depict the interactions between host and the guests and thus lead to generate sense of luxury.

**Do Not Say You’ve Been to Taiwan If No Visited Night Markets**  
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Night markets are the biggest scenic attraction in Taiwan. They provide many local foods, and give foreigners a chance to understand local custom. Hence, Taiwan’s larger tourism night markets attract a great deal of foreigners. Though Mainland Chinese and Taiwanese have the same origin and language, they are no longer familiar to each other due to sixty years of cross-strait separation. From the perspective of life, this research observes several interesting phenomenon regarding the visits of Mainland Chinese tourists to Kaohsiung’s Liu Ho Night Market. The authors introduce the overall features of this night market and describe the arrival and departure of Mainland Chinese tourists and how guides lead tourists with explanations and introductions. As part of our study we observe vendor marketing tactics, such as design and content of signage, presentation of foods and products, word usage in promotion of Taiwan-made products or Taiwan local features and on-site demonstration methods. Lastly this research observed the consumption behavior of Mainland Chinese tourists.

Although Kaohsiung Liu Ho Night Market already sees many independent tourists from Taiwan, Japan, Europe, and North America, to respond to the business opportunities brought by Mainland Chinese tourists, night market vendors will do anything to attract business. Our video records four marketing tactics commonly used by night market vendors: 1) Signage design: Vendors used eye-catching colors, large fonts, and LED marquees to attract tourists. 2) Arrangement and lighting of foods: Vendors used strong lighting on food ingredients or placed fresh ingredients at the front of their stands to advertise that they have plentiful and fresh ingredients. 3) Specifically for Mainland Chinese tourists: Vendors advertised their products as being specialties of Taiwan, or as being made in Taiwan. Such as cookies only found in Taiwan, cakes and cookies made with Taiwanese fruits, exotic Taiwanese fruits, Taiwan-made bamboo chopsticks, tea products, etc. Not only the product itself, but the outer packaging also emphasizes it was "Made in Taiwan". The idea is to give consumers the physical evidence that they have visited Taiwan. 4) Night market vendors emphasized that the foods they were selling, especially hot foods, were cooked on-the-spot. To prove this and also due to limitations of space, vendors cook in front of customers. The cooking process gains the trust of customers and also assists to attract more customers.

Unlike the behavior of independent tourists from Taiwan, Japan, Europe and North America, due to current restrictions, Mainland Chinese tourists have to travel as part of a tour group. They are conveyed to a location near the night market by tour buses arranged by travel agents. Their guide will then lead them as a group into the night market. Tourist guides holding a small flag to lead a group of tourists like a mother hen leading her chicks is a ubiquitous sight. This means Mainland Chinese tourists tend to exhibit collective behavior in their consumption habits. When a large number of Mainland Chinese tourists show up, vendors will be busy greeting them. In general, fruit, utensils, tea, cakes and biscuits displaying distinguishing features of Taiwan are most favored, because these can be taken back to their homeland. Interestingly, local food favored by local tourists, such as soup noodles and fried noodles, which are cooked on-the-spot, are less attractive to Mainland Chinese tourists. This research evaluated that might be because of collective action. With time restrictions, Mainland Chinese tourists cannot spend too much time to eat food made on-the-spot; and consumption of food made on-the-spot cannot prove that they have been to Taiwan.

In conclusion, the night market is an important place for foreigners to experience local culture because of local foods, handicrafts, and other stuffs that vendors provide. Also, our video records that Mainland China tourists’ consumption behavior in the night market like someone meet their old good friends by chance after separating for a long time. For this reason, vendors create some marketing tactics to emphasize their products’ origins and good quality and provide those tourists credible evidences that they have been to Taiwan such as local specialties and handicrafts.
Integrity and Benevolence: An Examination of their Distinct Roles in Building Consumer Trust

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EXTENDED ABSTRACT

Consumer trust has been found to play an important role in determining consumers’ value perceptions (Sirdeshmukh, Singh, and Sabol 2002), choices (Erdem and Swait 2004), and brand commitment and loyalty (Chaudhuri and Holbrook 2001). Beyond understanding the consequences of consumer trust, researchers have also explored its antecedents. Some (e.g., Chaudhuri and Holbrook 2001) have focused solely on perceived competence, representing the ability and reliability of the to-be-trusted party to deliver what the consumer expects to receive from the exchange relationship. Others have broadened the search for trust antecedents to include benevolence (Sirdeshmukh, Singh, and Sabol 2002; Li, Zhou, Kashyap and Yang 2008; Kantspenger and Kunz 2010) and integrity (Morgan and Hunt, 1994; Crosby, Evans, and Cowles, 1990). In accordance with the distinction between motive-based and principle-based virtues, benevolence captures the underlying motivation for one’s situation-specific behavior (e.g., whether one’s behavior is driven by concern for the well-being of a particular person). Integrity is a more enduring characteristic reflecting one’s moral character that transcends situational considerations (e.g., whether one behaves in a morally acceptable fashion regardless of the situation or who else is involved).

Although evidence of benevolence and integrity being important antecedents has accumulated independently of one another, research has yet to consider their potential to impact consumer trust simultaneously. This exploration of one to the exclusion of the other is perhaps a reflection of the challenges in capturing their differences operationally despite their conceptual distinctions (Swain and Chumpitaz 2008). In our investigation, we attempt to remedy this gap in the literature by examining simultaneously the influence of benevolence and integrity along with competence on consumer trust. Beyond documenting their difference at a measurement level, we further seek to illuminate their distinctions at a conceptual level by empirically supporting hypothesized differences in how their relationship with consumer trust is moderated by consumers’ propensity to trust, information sources, and stage of the consumer-product relationship, we found that benevolence and integrity respond differently to these moderators and their influence on consumer trust changes under different conditions. Integrity had a stronger effect on trust with consumers who had a low propensity to trust, who obtained brand information primarily from a third-party publication, or who were at the early stage of their relationship with the brand. In contrast, benevolence exerted more influence on consumers who obtained information primarily through personal communication or who were at the late stage of the consumer-brand relationship. Unlike integrity and contrary to our expectations, propensity to trust did not moderate the influence of perceived benevolence.

Some have suggested that because benevolence and integrity both have ethical connotations they can be integrated into one ethically-based factor (Tinsley 1996). Our findings do not favor such a perspective. To the contrary, our findings show that it is not only possible to provide distinct measurements of these constructs, but given their differences in how they respond to various moderating factors, it is essential to differentiate benevolence from integrity.

Our findings have important implications for marketing practitioners, especially when it comes to marketing communications. Marketers should consider the distinct role of integrity and benevolence in conveying their trustworthiness to consumers. For instance, because integrity and benevolence respond differently to the particular stage of the consumer-product relationship, it would make sense for marketing managers to place more or less emphasis on integrity versus benevolence when constructing trust appeals depending on the phase of the consumer-brand relationship. The integrity characteristics of the brand should be emphasized in the communication program earlier in the relationship, while the emphasis should shift to benevolence later in the relationship. Moreover, they should rely more on third-party publications rather than interpersonal communication when emphasizing perceived integrity in their communication.

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The Role of Trust, Diagnostic Information, and Attitudinal Ambivalence in Service Attribution
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ABSTRACT
This study makes the first attempt to propose a trust-attribution typology incorporating trust, diagnosticity of information, and ambivalence attitude. The typology, which consists of four distinctive models, was tested by two experiments with a student and a non-student sample, respectively. Results indicate different mental mechanisms underlying the processes of how high- versus low-trust customers make service attributions. Specifically, attitudinal ambivalence plays a mediating role in the process of how high-trust customers make attributions, whereas diagnosticity and attitudinal ambivalence jointly mediate the process of how low-trust customers make service attributions. Service providers often face a service failure that might result from either internal (e.g., the salesperson’s bad attitudes) or external factors (e.g., weather). However, customers may attribute the causes of the service failure to their perception of the causes. For example, they might assign a negative experience to internal factors, though it may actually be due to external factors. The extant literature calls for a study investigating the mental mechanism underlying the attribution process (Weiner 2000).

Attribution is a complicated process in that customers endure fluctuating psychological changes, which would fundamentally change the way they make internal versus external attributions (Lynch 2006). For example, high-trust and low-trust customers are believed to make different attributions (Moorman, Zaltman, and Deshpande 1992). The changes in attributional processes result from either an intervening effect of personality traits (e.g., optimistic, Scheier and Carver 1993) or an interaction effect between one psychological factor and the others (e.g., Lynch 2006). Prior research in this area has indicated that the attributional process is influenced by social or psychological factors, the most prominent of which are trust (Johnson and Grayson 2005), diagnosticity of information (Lynch 2006), and attitudinal ambivalence (Krosnick and Petty 1995). However, none of the previous research has integrated these three major factors into the attributional process and tested it particularly against a service setting. To advance the research in service attribution, the current study makes the first attempt by proposing a typology delineating different attributional processes that coordinate trust, diagnosticity, and attitudinal ambivalence.

CONCEPTUAL FRAMEWORK AND HYPOTHESES
Attribution theory is a guiding framework for understanding how customers attribute causes of service failures and responsibility for service quality. It concerns how individuals interpret events and how this relates to their thinking and behavior (Jonas, Diehl, and Bromer 1997). Attribution research addresses perceptions through its focus on the human inclination to look for and identify the causes of events and to make subsequent causal inferences about these events (Weiner 1992). There is a strong need in individuals to understand transient events by attributing them to internal or external factors (Heider 1958).

Attribution theory is how we judge ourselves and how we judge others (Heider 1958); however, the two attributional processes are different when facing a success or a failure. When an individual succeeds, he or she would attribute the successes internally. When the individual sees a rival’s success, he or she is more likely to make external attribution. In contrast, when an individual fails, he or she tends to make a reverse attribution because individuals have the tendency to over-value internal explanations for the observed behavior of others while under-value external explanations for those behaviors (Cowley 2005).

Prior research has shown trust affects the way customers make attributions (Cowley 2005). Trust is described as the customer’s confidence or willingness to rely on a service provider’s competence and reliability (Moorman et al. 1992). Operationalized in the current study, trust refers to the customer’s pre-existing confidence about a service provider. Trust is assumed in turn to affect the customer’s subsequent attribution process, for different levels of trust reveal different attribution styles (e.g., optimistic or pessimistic, Scheier and Carver 1993). Taking trust into the consideration, this study proposes a trust-attribution typology that consists of four distinctive models (Figure 1). Specifically, high-trust customers are optimistic and therefore attribute their negative experiences to external factors (Model 1) and assign positive experiences to internal ones (Model 2). In contrast, low-trust customers are pessimistic and thus make internal attributions of their negative experiences (Model 3) and external attributions of their positive experiences (Model 4). It is predicted that the four models are influenced differently by diagnosticity of information and attitudinal ambivalence.

The Impact of Diagnosticity on the Trust-Attribution Process
Customers often judge service quality based on either individual consumption experiences or an attribute of the service, or a salesperson’s individual behavior. The judgment will guide customers’ subsequent purchasing decisions (Tversky and Kahneman 1982). To determine how a piece of information plays a role in judgment depends on how great the gained information is perceived diagnostic by individuals (Skowronski and Carlston 1989). As Lynch, Marmorstein, and Weigold (1988) explain in the accessibility-diagnosticity model, an input is a “diagnostic for a judgment or decision to the degree that customers believe that the decision implied by that input alone would accomplish their decision goals” (p. 171). The more diagnostic an input is perceived, the more likely it is applied to the judgment.

The diagnostic information can be either positive or negative, with the latter believed more diagnostic than the former. Such effects are known as negative bias (Skowronski and Carlston 1989). Negative bias has also been tested in the area of consumer research; however,
results show a mixed bag. Some researchers (Mizerski, 1982) have argued that customers place more weight on negative information in making product evaluations, whereas other researchers have proposed that negative bias might diminish under certain judgment or decision-making conditions (Ahluwalia, Burnkrant, and Unnava 2000).

The findings of research to date, limited though they are, suggest that negative bias might exist under one circumstance, and diminish or possibly reverse to positive bias under the other. The above circumstances might be explained by high- versus low-trust conditions. Given the pessimistic or optimistic style in nature, low-trust customers might view negative experiences as more diagnostic, whereas high-trust customers consider positive experiences to be more diagnostic. It is thus predicted that negative bias is more pronounced among low-trust customers, and positive bias is more pronounced among high-trust customers. Following the same line of reasoning, this study predicts that while positive bias might not exist among high-trust customers, high-trust customers are more likely to believe positive experiences are more diagnostic and negative experiences are less diagnostic, compared to their low-trust counterparts. Hence, this study posits the following hypotheses:

H1: High-trust customers tend to perceive their positive service experiences to be more diagnostic than negative experiences (positive bias).

H2: Low-trust customers tend to perceive their negative service experiences to be more diagnostic than positive experiences (negative bias).

H3: Compared to low-trust customers, high-trust customers are more likely to perceive their positive service experiences to be more diagnostic and their negative experiences to be less diagnostic.

As Figure 1 shows, both high- (Model 2) and low-trust customers (Model 3) make internal attributions; however, with the former having a positive experience and the latter a negative experience. This suggests that diagnosticity plays a mediating role in the trust-attribution process. Hence, this study proposes the following hypothesis:

H4: Diagnosticity of information mediates the process of how customers with different level of trust make their service attributions (Model 2 and Model 3).

The Impact of Attitudinal Ambivalence on the Trust – Attributional Process

Attitudinal ambivalence is an important variable to better understand the composition and structure of attitudes (Ajzen 2001). It refers to the degree to which an attitude object is evaluated positively and negatively at the same time (Jonas, Diehl, and Bromer 2000). Individuals often adopt both positive and negative attitudes towards an issue, and the imbalance between the two is called ambivalence (Conner and Sparks 2002). As a determinant of attitude strength, the strength with which individuals adopt an attitude (Krosnick and Petty 1995), ambivalence is believed to affect the association between attitudes and behavior (Cacioppo, Gardne, and Berntson 1997), to resist to persuasion, or to influence information processing (Jonas et al. 2000).

Attitudinal ambivalence is generated when individuals have different cognitive responses to different attributes of an issue (Sengupta and Johar 2002). It is also generated when individuals’ newly-obtained information is different from existing beliefs or affect. The incongruence between the new service experience and the existing trust brings in belief versus cognition conflicts (Zemborain and Johar 2007). Operationalized in the current study, the existing belief is trust, which refers to the fact that customers have had presumed attitudes, be they positive or negative, towards the service provider. It is predicted that customers generate ambivalent attitudes when they feel that
their new service experience is far from their existing trust. The hypothesis is hence formulated as follows:

H5: Individual customers would experience attitudinal ambivalence when they perceive their new service experiences to be different from their existing trust toward the service provider, regardless of their levels of trust.

Similar to solving cognitive dissonance, when individuals experience belief-versus-cognitive conflicts, they are motivated to search for additional information to reduce the incongruence between positive and negative attitudes (Bell and Esses 2002). That is, customers having ambivalent attitudes are more likely to make external attributions; no matter whether they are high- or low-trust customers. For example, Söderlund and Julander (2003) found that a high level of pre-encounter trust produces a forgiving attitude among customers who are subject to poor performance encounters with the provider, and that a forgiving attitude makes customers find external explanations for the service provider’s behavior. Thus, this study predicts that attitudinal ambivalence plays a mediating role in the trust- attribution process. The last hypothesis is formulated as follows:

H6: Attitudinal ambivalence mediates the process of how customers with different levels of trust make their attributions (Model 1 and Model 4).

**EXPERIMENT 1**

**Method**

Experiment 1 was conducted to test how diagnosticity and attitudinal ambivalence were pronounced differently among customers with different levels of pre-existing trust towards the service provider. A 2x2 (trust: high versus low; service experience: positive versus negative) factorial design was used to test Hypothesis 1-3 and Hypothesis 5. Sixty-five college students who were enrolled in a management program at a major southwestern university in China were the subjects (mean age = 22.1, 44.6% male).

The experiment was conducted during a regular class period. Subjects were randomly assigned to one of the four experimental conditions. Before the experiment started, subjects were told that they were enrolled in a research project aiming to understand the customer service experience. Every subject received a copy of two pages of experimental materials (stimuli), which included a description of a restaurant near the university on the first page and a description of a mock service experience on the second page. In addition, subjects received a booklet containing measures of manipulations and key variables.

The variable diagnosticity was measured by three 9-point Likert scales (α = .93) anchored respectively by “extremely unrelated” and “extremely related,” “extremely useful” and “extremely useless,” and “extremely not instructional” and “extremely instructional” (Gürhan-Canli and Batra 2004). In addition, this study adopted Kaplan’s (1972) method to measure attitudinal ambivalence (Ahluvalia et al. 2000; Zemborain and Johar 2007). The method consists of two measures, which were “Aside from the positive (or negative) impressions, how do you negatively (or positively) feel about the restaurant?” The statements were then measured by one four-point scale (ranging from zero to four) anchored by “absolute not” and “extremely negative (or positive).” By using Kaplan’s (1972) formula, a set of four levels of attitudinal ambivalence scores was obtained, ranging from zero to six and with two as an interval. The higher the score, the greater the ambivalence attitude is (Kaplan 1972).

Subjects started the process by reading the first page of the stimuli, and then answering the questions on the booklet measuring the level of trust. Subjects were then asked to read the second page of the stimuli and answered the questions on the booklet, which assessed their service experience, perceived diagnosticity, and attitudinal ambivalence. After completion, the researchers collected all the booklets and subjects were fully debriefed.

**Results**

This study adopted the De Wulf, Odekerken-Schröder, and Lacobucci’s (2001) measures to evaluate manipulation of trust (α = .91). The ANOVA results showed a significant main effect of trust manipulation (F [1, 61] = 189.57, p < .001). Further post hoc tests also indicated that the mean scores of trust were significantly higher under the high- than the low-trust condition (X: 5.37 versus 2.74, p < .001). The above results indicated that the manipulation of trust was successful.

This study adopted Oliver’s (1993) measures (α = .89) to assess the manipulation of service experience. The ANOVA results revealed a significant main effect of service experience manipulation (F [1, 61] = 204.04, p < .001). Further post hoc results also showed that the mean scores were significantly higher among customers with positive experiences than those with negative experiences (X: 5.29 versus 2.44, p < .001). The above results indicated that the manipulation of service experience was successful.

To test H1 to H3, this study conducted ANOVA tests. Results indicated main effects of service experience on diagnosticity (F [1, 61] = 8.83, p < .05); however, no main effects of trust on diagnosticity were found (F [1, 61] = 0.42, p = .52). Further post hoc results showed that high-trust customers did not show many differences in judging whether positive or negative experience was more diagnostic (X: 6.24 versus 5.75, F [1, 29] = 1.95, p > .15). Positive bias was not found among high-trust customers. Hence, H1 was not supported.

Meanwhile, the post hoc results showed significant negative bias among low-trust customers. Low-trust customers reported that they believed negative experiences were more diagnostic than positive experiences in judgment (X: 7.19 versus 5.15, F [1, 32] = 29.29, p < .001). Thus, H2 was supported.

In addition, the ANOVA results indicated significant interaction effects of trust and service experience on diagnosticity (F [1, 61] = 23.75, p < .001). Compared to low-trust customers, high-trust customers were more likely to use positive experiences (X: 5.15 versus 6.24, F [1, 29] = 9.42, p < .001), and less likely to use negative experiences as diagnostic information (X: 7.19 versus 5.75, F [1, 32] = 14.72, p < .001). Hence, H3 was supported.

Hypothesis 5 predicted that customers would experience ambivalent attitudes when they felt their current service experience was far from the pre-existing trust they had toward the service provider. To test H5, this study first ran correlations to assess whether attitudinal ambivalence could be calculated by Kaplan’s (1972) formula. Results acknowledged the eligibility. Overall, the two measures assessing positive versus negative attitudes were moderately correlated (r = -0.58, p < .001). When the current experience was congruent with trust, the two measures showed a strong relationship (r = -0.73, p < .001). When the current experience was incongruent with
trust, the two measures showed a relatively weak relationship ($r = 0.52$, $p < .001$).

Furthermore, the ANOVA results revealed significant interaction effects of trust and service experience on attitudinal ambivalence ($F [1, 61] = 13.48$, $p < .001$). Further post-hoc tests indicated that both high- and low-trust customers would experience ambivalent attitudes facing the trust-experience incongruence. Specifically, under the high-trust condition, customers positive and negative attitudes were significantly different ($X: 2.50$ versus $1.07$, $F [1, 29] = 5.56$, $p < .05$). The same held true for customers in the low-trust condition ($X: 1.44$ versus $3.38$, $F [1, 32] = 8.13$, $p < .001$). Hence, H5 was supported.

Summary
Experiment 1 revealed two major findings. First, consistent with prior research (Skowronski and Carlson 1989), the findings of this study confirmed that negative bias was pronounced among low-trust customers. However, no positive bias was found among high-trust customers as expected. Instead, this study found an interaction effect of trust and service experience on diagnosticity. Specifically, high-trust customers perceived positive experiences to be more diagnostic and negative experiences to be less diagnostic, compared to their low-trust counterparts. Second, findings suggested that customers had two types of attitudes toward the service provider at the same time, with one driven by the pre-existing trust, and the other generated by the current experience. The incongruence between the two types of attitudes would result in attitudinal ambivalence and cognitive dissonance.

Experiment 1 only tested the relationships between trust and diagnosticity and trust and attitudinal ambivalence. It has not explored how these factors influence the subsequent attributional process. To examine the mechanism underlying the process, this study conducted Experiment 2 by recruiting a non-student sample to enhance research validity.

EXPERIMENT 2
Research Design
This study would first replicate and validate Experiment 1 with a non-student sample (H1–H3 and H5), and then examine the mediating role of diagnosticity (H4) and attitudinal ambivalence (H6) in the trust- attribution process. A 2x2 (trust: high versus low; service experience: positive versus negative) factorial design was used to test the hypotheses. One hundred seven employees from a large electricity company located in southwestern China were the subjects (mean age = 33.2, 60.7% male). The experiment was conducted in one of the annual training sessions for employees. The stimuli, manipulations, and procedures were identical to those in Experiment 1.

Results
Similar to Experiment 1, this study adopted De Wulf et al.’s (2001) measures to assess the manipulation of trust. The ANOVA results showed significant main effects of trust manipulation ($F [1, 103] = 154.30$, $p < .001$). Further post-hoc results showed that the mean scores of trust were significantly higher under the high- than the low-trust condition ($X: 5.21$ versus $2.58$, $p < .001$). The above results indicated that the manipulation of trust was successful.

This study also employed Oliver’s (1993) measures to assess the manipulation of service experience. The ANOVA results revealed significant main effects of service experience manipulation ($F [1, 103] = 190.61$, $p < .001$). Further post-hoc results showed that the mean scores of service experience were significant higher among customers with positive experience than those with negative experience ($X: 5.23$ versus $2.71$, $p < .001$). The above results indicated that the manipulation of service experience was successful.

To validate the results of Experiment 1, this study tested H1 to H3 again by using the same statistical analyses. Results were consistent with those in Experiment 1.

First, the ANOVA results indicated significant main effects of service experience ($F [1, 103] = 23.01$, $p < .001$) and interaction effects of trust and service experience on diagnosticity ($F [1, 103] = 38.06$, $p < .001$). However, no main effects of trust were found ($F [1, 103] = 1.14$, $p = .29$).

Further post-hoc results showed that under the high-trust condition, customers did not show much differences in judging whether positive or negative experiences were more diagnostic ($X: 6.36$ versus $6.10$, $F [1, 53] = 1.11$, $p > .20$). In contrast, under the low-trust condition, customers tended to consider negative experience more diagnostic than positive one ($X: 7.05$ versus $5.01$, $F [1, 50] = 51.52$, $p < .001$). In addition, high-trust customers tended to believe positive experiences were more diagnostic ($X: 6.36$ versus $5.01$, $F [1, 51] = 24.46$, $p < .001$) and negative experiences were less diagnostic ($X: 6.10$ versus $7.05$, $F [1, 52] = 13.98$, $p < .001$) than low-trust customers.

Furthermore, this study tested H5 again by applying the same statistical methods. First, the results indicated that the two measures were moderately correlated ($r = -0.60$, $p < .001$). When trust and the current experience were congruent, the two measures were highly correlated ($r = -0.77$, $p < .001$); when trust and the experience were incongruent, a low correlation was exhibited ($r = -0.45$, $p < .001$). The above results suggested that the score of attitudinal ambivalence was able to be calculated by Kaplan’s (1972) formula. Moreover, the ANOVA results indicated significant interaction effects of trust and service experience ($F [1, 103] = 20.64$, $p < .001$). High-trust customers experienced attitudinal ambivalence because their positive and negative attitudes were significantly different ($X: 2.41$ versus $0.92$, $F [1, 53] = 10.85$, $p < .001$), and so did low-trust customers ($X: 1.28$ versus $3.04$, $F [1, 50] = 9.92$, $p < .001$). The above findings were consistent with those in Experiment 1.

This study then examined the mediating role of diagnosticity and attitudinal ambivalence in the attribution process. Before testing the mediation effect, this study assessed the effects of trust and service experience on attribution. The ANOVA results indicated significant interaction effects of the two variables ($F [1, 103] = 39.15$, $p < .001$). Further tests showed that compared to low-trust customers, high-trust customers were more likely to make internal attribution when having a positive experience ($X: 4.12$ versus $5.24$, $F [1, 51] = 31.08$, $p < .001$), and make external attribution when having a negative experience ($X: 5.24$ versus $4.53$, $F [1, 52] = 11.19$, $p < .001$). Furthermore, high-trust customers tended to make internal attribution when their service experience was more positive than negative ($F [1, 53] = 13.92$, $p < .001$); whereas low-trust customers made internal attributions when their service experience was more negative than positive ($F [1, 50] = 25.17$, $p < .001$). These results confirmed that taking trust
into consideration, the attribution process generated four different models as expected, which reflected how customers with different levels of trust make service attributions.

Furthermore, this study adopted the Sobel’s (1982) test, a statistical method to investigate the significance of indirect paths (Preacher and Hayes 2008), to explore the mediation effect of diagnosticity and attitudinal ambivalence on the trust-attribution process. The results of the Sobel’s tests indicated that under the high-trust condition, the indirect path from service experience to diagnosticity to attribution was not significant (Sobel Z = 0.89, p > .05), whereas the path through service experience to attitudinal ambivalence to attribution was significant (Sobel Z = 2.04, p < .05). In contrast, the two aforementioned indirect paths were both found significant under the low-trust condition (Sobel Z = -2.22, p < .05; Sobel Z = -2.01, p < .05). The above findings suggested that attitudinal ambivalence mediated the high-trust attribution, whereas both diagnosticity and attitudinal ambivalence mediated the low-trust attribution. Hence, H4 was partially supported and H6 was supported.

Summary

The findings of Experiment 2 were consistent with those of Experiment 1. In addition, this study explored the mechanism underlying the trust-attribution process and found that diagnosticity and attitudinal ambivalence played a mediating role in the process. However, the high-trust attribution process was mediated only by attitudinal ambivalence, whereas the low-trust attribution process was mediated by both diagnosticity and ambivalence.

CONCLUSION AND DISCUSSION

This study advances the extant literature (Krosnick and Petty 1995; Lynch 2006; Moorman et al. 1992; Zemborain and Johar 2007) by proposing a typology capturing the dynamic formation of service attribution. As Figure 2 indicates, the typology contains four fundamental models with diagnosticity and attitudinal ambivalence playing a mediating role in the trust-attribution process. Specifically, Model 1 describes a situation in that attitudinal ambivalence mediates the process of how high-trust customers make service attributions. Specifically, high-trust customers are found to assign their negative experiences to external factors when enduring ambivalent attitudes toward a service failure. Model 2 delineates a process in that high-trust customers are more likely to attribute their positive experiences to internal factors. The process is not mediated by either ambivalence or diagnosticity.

Models 3 and 4 reflect how low-trust customers make service attributions. Specifically, Model 3 describes the situation in that low-trust customers tend to attribute negative experiences to internal factors because they consider negative experience to be more diagnostic. In other words, diagnosticity plays a mediating role in the trust-attribution process. In contrast, Model 4 delineates that low-trust customers are more likely to attribute positive experiences to external factors because while their positive current attitudes are contradictory to their pre-existing negative attitudes, they need to seek additional information to reduce the tension. In other words, attitudinal ambivalence mediates the trust-attribute process.

In addition, this study advances the research (Ahluwalia et al. 2000; Mizerski, 1982; Skowronski and Carlson 1989) by proposing the boundary conditions for negative bias. The current study provides empirical support for the arguments that not all customers would view negative experiences as more diagnostic than positive ones. Instead, negative bias only existed among those customers who have low trust toward the service provider. Neither negative nor positive bias is pronounced among high trust customers.

The current study also provides managerial implications. While facing with a service failure, the service provider may not adopt one single strategy to save all the services. It is suggested that the service provider apply different strategies to high-trust versus low-trust customers to recover from a service failure. Specifically, when high-trust customers experience a service failure, they would endure ambivalent attitudes, which may be more susceptible to information or persuasion (Zemborain and Johar 2007). If there were no additional information, individuals would reinforce the negative attitudes resulting from the current service failure. It is thus suggested that the service provider provide additional information that may help high-trust customers make external attribution. In contrast, when low-trust customers experience a service failure, they are more likely to make internal attribution due to effects of negative bias. Under such a circumstance, the service provider should take responsibility for the service failure and avoid providing any external information to arouse debates or escalation of conflict.

This study is subject to several limitations. First, although the current study tests the hypotheses by varying samples from student to non-student sample, the use of the same stimuli in both experiments may result in external validity issues. Second, this study is the first attempt to explore the mental mechanism underlying the service attribution process; findings suggest that more areas have been left for further exploration. Future studies should include more mediators (e.g., motivation) in the model and test it in different settings. Third, this study supports the argument that customers generate ambivalent attitudes when their current experience is far from their pre-existing trust, and assumes that attitudinal ambivalence would induce consumers’ counterargument cognition, thus making consumers adjust their attribution toward the anchor. Future studies should explore such an effect.

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FIGURE 2
The Trust-Attribution Typology

High Trust

Positive Experience  \(\rightarrow\)  Internal Attribution

Negative Experience  \(\rightarrow\)  Attitudinal Ambivalence

Low Trust

Positive Experience  \(\rightarrow\)  Diagnosti-city

Negative Experience  \(\rightarrow\)  Attitudinal Ambivalence

External Attribution
The Effects of Power on Satisfaction with Joint Consumption Decisions
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EXTENDED ABSTRACT

Decisions involving two or more consumers are both significant and pervasive. Families jointly or collectively make major decisions such as where to go on vacation, the types and brands of automobiles they buy, the home furnishings and appliances they purchase, and the home and neighborhood in which they live. They also make a variety of mundane decisions ranging from grocery purchases at the supermarket to the television programs they watch in the evening.

A major emphasis in prior research on joint decisions has been on power, which is defined as a person’s ability to influence or determine the behaviors of others (Dépret & Fiske, 1993; Emerson, 1962). The power to make the final decision on behalf of one or more others is derived from sources including the ability to coerce or reward, expertise, a legitimate role or office, and social attractiveness (French & Raven, 1959). The general purpose of this research is to better understand the effects of power on the satisfaction with a joint decision.

Power is a fundamental aspect of interpersonal relations because it underlies the ability to achieve a desired outcome, which creates personal freedom and autonomy (de Charms, 1968; van Prooijen, 2009), has a positive effect on people’s moods and emotions (Keltner, Gruenfeld, & Anderson, 2003), and enables consumers to make choices that are consistent with their preferences (Botti & McGill, 2006; Payne, Bettman, & Johnson, 1993). Yet power also has a darker side. Power provides freedom to those who have it but simultaneously reduces the autonomy and control of those who have choices imposed upon them, and the current research examines further the dark side of power in the context of a joint decision.

Specifically, we consider the effects of power on both parties involved in a joint consumption decision. Our central hypothesis is that power is satisfying only to the extent that those involved care little about the outcomes that accrue to the other party in the dyad, which is uncharacteristic of many if not most joint consumption decisions. We consider two characteristics of joint decisions that affect the degree to which power influences the satisfaction of those involved. The first characteristic is whether the parties have a cooperative rather than competitive decision orientation. Within a dyadic context a cooperative orientation is one in which there is a desire to satisfy oneself but little or no desire to satisfy the other, whereas a cooperative orientation is characterized by a desire to satisfy both oneself and the other (Thomas, 1976; Tjosvold, 1985). The second characteristic is the strength of the relationship between dyad members, which leads those involved to expect that there will be equitable outcomes over time (Macneil, 1978).

We argue and find evidence that the power to make a dyadic decision is only satisfying when there is a competitive decision orientation and a weak relationship. When consumers have a cooperative decision orientation or a strong relationship they are satisfied whether or not they have power, whether the dyadic choice is consistent or inconsistent with their stated preferences. Overall, a cooperative decision process is significantly more satisfying for consumers. Our main study involves participants who make a joint decision after interacting via a popular text-messaging program. Our use of a computer-mediated methodology reflects the growing reliance of consumers on online communication via instant messaging, social networking websites and online communities (Grossman, 2006). The decision environment also enables us to track all aspects of the dyadic interactions between participants, and to ensure that the decision orientations of the participants within the dyads are uncorrelated with their relative power, the degree to which their preferences are shared, and the strength of their relationship.

Specifically, this study was a 2 (power: high, low) by 2 (decision orientation: cooperative, competitive) by 2 (relationship strength: weak, strong) between-subjects experiment. Participants were students from an introductory undergraduate course and their friend or acquaintance. Students within the class were asked to bring along “someone they knew” to take part in a study on restaurant preferences. The computer-mediated experiment was run in a computer laboratory in batches of between two and 12 participants. One hundred and ninety two participants in 96 dyads completed our main study.

We found that it was only when participants had both a competitive orientation and a weak relationship that power had a significant effect on decision satisfaction. In contrast, power had no effect on the satisfaction of participants who cared about the outcomes that accrued to their decision partner because of either a strong relationship or a cooperative decision orientation. The results suggest that power was only satisfying when participants had little reason to care about the outcomes that accrued to their decision partner.

When participants had a cooperative decision orientation the proportion of choices that were consistent with the initial preferences of the high-power participant was significantly lower than when there was a competitive orientation. Indeed, 43% of the choices made by high-power dyad members with a cooperative decision orientation were inconsistent with their initial preferences despite the fact that they had the absolute power to choose.

We also found that preference-choice consistency only affected the satisfaction of low-power dyad members who had both a cooperative orientation and a weak relationship. High-power participants were always satisfied, even when they made a dyadic choice that was inconsistent with their initial.

REFERENCES


Mere Influence Effect: When Motivation to Influence Drives Decision
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EXTENDED ABSTRACT

People want to make sure that they live a meaningful life and they have control over the environment around them. One way to realize these dreams is to show that their actions can have some impact others, the environment, and the world. We propose that this motivation to influence, independent of hedonic consideration of the choice options, can systematically affect decision making.

To demonstrate the mere influence effect, imagine a person is voting for one of two presidential candidates. In a close election, voting for the leading candidate (i.e., the slightly favored candidate as revealed by the poll) will most likely help to maintain the trend and increase the leading candidate’s winning margin. If the person votes for the challenger (i.e. the slightly disfavored candidate), however, her vote could potentially be the “critical vote” that reverse the result. Voting for the challenger thus has a higher likelihood of making an influence. On the other hand, in a large-margin or one-sided election, it is highly unlikely to change the election result with one more vote for the challenger. Comparatively, voting for the leading candidate is an influence-maximizing action because the voter can at least entertain herself that she is on the winning side.

Based on the above reasoning, we predict that in a close competition, those who care more about influence are more likely than those who care less to vote for the challenger, whereas in a large-margin or one-sided election, the reverse would be true. Moreover, generally we propose that the motivation to make an influence can systematically affect decision making independent of hedonic considerations of the choice options. We demonstrate the mere influence effect on decision making in four studies.

In the first two studies we showed that in a close competition higher motivation to influence leads to greater preference for slightly less favored option (by others). In study 1, Participants were asked to vote for two traffic control programs varying in cost and effectiveness. We manipulated the influence potential of the voting results. We found that if the voting result was the sole determinant of which of two traffic improvement programs to implement, participants were more likely to favor the slightly less supported program; whereas when the voting results was said be an unimportant piece of information for the policy makers, participants were equally likely to support both programs. Study 2 adopted the same context but manipulating influence by priming participants’ need to influence. Those who were primed with high need to influence were more likely to favor the slightly less supported program than those low in this need.

Study 3 and 4 further demonstrated that the margins of the competition moderate the effect of need for influence on consumer preference. In study 3, participants were informed that $100 (real money) would be donated to a foundation to save endangered animal species and they were asked to vote for an animal species (from two candidates) as the beneficiary. Participants were further informed the “voting statistics” based on previous participants’ votes. Half of the participants were told that the supporting rates were 49% versus 51% for the two animals (a close competition), the other half were told 31% versus 69%. Our proposition is supported. In the small margin conditions (counterbalanced options), those who had stronger motivation to influence were more likely to vote for the less favored animal and the reverse was true in the large margin condition. In the final study we asked more than 2000 randomly selected senior citizens to recall their actual voting behavior in the past 4 presidential elections. We also measured their individual levels of motivation for influence and other individual characteristics. Consistent with our theorizing, in the 1996 (Clinton vs. Dole) and 2008 (Obama vs. McCain) presidential elections, which we pretested (and were predicted by national polls) to be easy wins, those who had stronger motivation to influence were more likely to vote for the leading candidates; whereas in the 2000 (Bush vs. Gore) and 2004 (Bush vs. Kerry) presidential elections, which were predicted to be close games, those who had stronger motivation to influence were more likely to vote for the challenging candidates.

Overall, these studies strongly support our proposition of the mere influence effect. The fact that people are motivated to influence others and the environment is consistent with a general psychological tendency of seeking control to cope in an uncertain world.

REFERENCES


Consumer Food Decisions for Distant versus Close Others
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EXTENDED ABSTRACT

Most studies in food consumption have focused on examining how consumers make food decisions for themselves (e.g., Wilcox et al. 2009), whereas little research has studied how consumers make food decisions for others. While the food decisions between a healthy but less tasty and a tasty but less healthy option are usually personal, many times consumers also need to make these very decisions for others (Laran 2010). For example, a close friend or family member may ask you to recommend a lunch option, or simply ask you to bring him/her something for lunch. Would you recommend a different option than what you would choose for the friend? What if the person is just an acquaintance instead of a friend or family member? What would be your recommendation and choice then? In this study we examine how consumers make food decisions between healthy and tasty options in different decision tasks (recommendation vs. choice) for different types of others (socially close vs. distant).

LITERATURE BACKGROUND

Kray (2000) suggest that two main factors may influence how an individual makes a decision for others: (1) one’s beliefs about others’ preferences, i.e., “what decision alternative would make others happy”; and (2) whether the decision is easy to justify.

When consumers make decisions for others, they may be asked for their recommendations (e.g., being an advisor) or may be simply asked to make a choice on others’ behalf (e.g., being a surrogate consumer). A recommendation or advice concerns what one ought to do or should do (e.g., Dalal and Bonaccio 2010). When individuals make recommendations to others, they may be more concerned about the ease of justifying the recommendations and tend to only consider the prominent factor that is consistent with the norm (Kray and Gonzalez 1999; Kray 2000). In the scenario of food decision making, the recommendation of “what should be done” favors healthy but less tasty food options as they fulfill a higher-order health goal and offer long-term benefits (Fishbach & Zhang 2008). On the contrary, when consumers choose food for others, they think about the decision outcome as of how others would like their choice. Thus, they would focus on “what makes others happy”, and make the choice based on their beliefs about others’ preferences. Since consumers believe that others are mainly pleasure-seeking in food decisions (Laran 2010), they are likely to choose tasty but less healthy options for others.

Furthermore, we propose that consumers’ tendency to choose tasty but recommend healthy options for others will be more pronounced for distant (vs. close) others. Construal level theory (e.g., Trope, Liberman & Wakslak 2007) suggests that the considerations for distant others are more abstract and norm-based. Thus when making decisions for distant others, consumers would rely on “what makes most people happy” for choices and “what should most people do” for recommendations due to the lack of information about distant others. However, the considerations for close others are more detailed and practical-based (e.g., Trope, Liberman & Wakslak 2007). Given that consumers may attend to the practical details such as the close other’s dietary restrictions and habits, they may at times recommend tasty food and choose healthy food for close others, reducing the decision discrepancies between choices and recommends.

STUDY 1

Study 1 examined consumer recommendation and choice for socially distant versus close others. Eighty-two undergraduate students were randomly assigned to a 2 (social distance: close vs. distant) × 2 (decision tasks: choose vs. recommend) between-subjects design. Participants were asked to either choose or recommend a snack for a good friend or a fellow student between a healthy (fresh fruit) and a tasty (candy bar) option. The results of a binary logistic regression showed a significant interaction effect (Wald χ²(1) = 9.75, p < .05). For distant others, participants were more likely to recommend (66.7%) than choose (10.0%, χ²(1) = 13.8, p < .01) the healthy snack. For close others, participants were more likely to select the tasty option regardless of the decision task (61.9% vs. 75.0%, χ²(1) = .81, p > .1) (Figure 1).

STUDY 2

In study 2 we examined consumers’ decisions for others in a sequential decision scenario, where the participants were informed that the person (a good friend or student A) had already had an unhealthy snack. In addition, we examined the effect of an additional factor, consumers’ decision concerns, on their food decisions for others. Specifically, consumers are often concerned about the consequence of their decisions (e.g., Josephs et al. 1992). We expect the extent of this tendency (more or less concerned about others’ reaction) to moderate consumers’ decisions for others. Specifically, the more consumers are concerned about others’ reactions, the more they would try to “please” the person when choosing and “justify” the decision when recommending. One hundred and seventy-eight participants were assigned to 2 (social distance: close vs. distant) × 2 (decision tasks: choose vs. recommend vs. choice) × 2 (decision concerns: more vs. less) between-subjects design. The results showed a marginally significant 3-way interaction (Wald χ²(1) = 3.06, p = .08). For distant others, participants were more likely to recommend (72.5%) than choose (25.9%) the healthy option (χ²(1) = 20.81, p < .01) regardless of their concern levels (Wald χ²(1) = 1.51, p > .1). For close others, those who were less (vs. more) concerned about others’ reactions to the decision were more likely to choose the healthy option (83.3% vs. 39.3%, χ²(1) = 6.54, p < .05), but were equally likely to recommend the healthy option (76.5% vs. 100%, χ²(1) = 1.77, p > .1; Wald χ²(1) = 5.98, p < .05) (Figure 2a and 2b).

Consumers need to make decisions for others in many occasions. Yet little is known about how they make such decisions and the factors that affect these decisions. The results of the two studies reveal that consumers make very different decisions for others depending on the decision task, social distance of others, and how much they are concerned about others’ reactions to their decisions.
FIGURE 1

Study 1 Results

<table>
<thead>
<tr>
<th>Close</th>
<th>Distant</th>
</tr>
</thead>
<tbody>
<tr>
<td>38.1%</td>
<td>66.7%</td>
</tr>
</tbody>
</table>

FIGURE 2a

Study 2 Results: Social Distance - Distant

<table>
<thead>
<tr>
<th>Recommendation</th>
<th>Choice</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fewer Concerns</td>
<td>71%</td>
</tr>
<tr>
<td>More Concerns</td>
<td>77.8%</td>
</tr>
</tbody>
</table>

FIGURE 2b

Study 2 Results: Social Distance - Close

<table>
<thead>
<tr>
<th>Recommendation</th>
<th>Choice</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fewer Concerns</td>
<td>76.5%</td>
</tr>
<tr>
<td>More Concerns</td>
<td>83.3%</td>
</tr>
</tbody>
</table>

REFERENCES


Strategic Consumer Choice of Face-to-Face Interactions

Maggie Wenjing Liu, Tsinghua University, China*

EXTENDED ABSTRACT

Face-to-face interactions are one of the most pervasive and important types of interpersonal interactions (Kendon, Harris, and Key 1975). Such exchanges are also central to many marketing interactions such as customer service, sales, promotions, and negotiations. During a face-to-face interaction, customers have an opportunity of obtaining a relatively high degree of personal attention, as well as receiving a quick and direct response to their concerns.

The development of telecommunication and Internet technologies has led to a reduction in direct face-to-face situations between people in business settings. For example, companies are now able to readily hold conference calls across the world and provide products and services over the Internet. So, are face-to-face interactions becoming increasingly irrelevant? Recent evidence suggests that this is not the case. For instance, there is a growing usage of video calling among both phone and computer users (Lin and Liu 2009). Moreover, Internet emotions -- the textual portrayals of the writer's facial expressions -- are often used to indicate the mood of the writer or the temperament of a statement: a smiley face :), a frowning face :(, etc. (Walther and D’Addario 2001). The social networking website Facebook is widely used to update users’ moods and emotions. All of these observations suggest that face-to-face interactions, although expressed in somewhat different ways nowadays, still matter. Thus, face-to-face interactions remain a key element in both business decisions and many other aspects of our daily lives. Moreover, knowing which factors make face-to-face interactions work can help us improve faceless transactions such as telephone transactions and online purchases.

The effect of face-to-face interactions is largely due to the unique features of our body part, the face. Our face is not only the highlight of our appearance, but also a focus of our dignity and social status (Yu 2001). In many languages, the face is used in metaphors when referring to social status or respect (Merkin 2006; Yu 2002). For example, “losing face” means losing your prestige almost universally in all cultures, while “saving face” represents the act of restoring or keeping prestige. “In your face” suggests a defiant confrontation. The use of the term “face work,” as a communicative strategy, means to “enact self-face and to uphold, support, or challenge another person’s face in both daily life and business relationships” (Masumoto et al. 2000). The term “face off” refers to an open confrontation.

This paper examines the effect of anticipated emotions and facial expressiveness on consumer choice of face-to-face interactions over impersonal interactions (e.g., email exchange). We propose that consumers could strategically seek or avoid face-to-face interactions due to anticipated emotions during the interaction. The strategic choice of face-to-face interactions over impersonal interactions is affected by facial expressiveness, type of anticipated emotions, and emotion intensity. Drawing from literature on face, face-to-face interactions, and anticipation, we develop and test this proposed theoretical account in two experiments.

Experiment 1 demonstrates that consumers strategically choose different modes of interaction (i.e., face-to-face or impersonal) as a function of emotion intensity and the facial feedback they expect to receive. In a potentially embarrassing situation, consumers are less likely to choose face-to-face interactions when anticipated feedback from the face of interactive partner is expressive than unexpressive. This effect is shown to be stronger when the anticipated embarrassment level is higher and weaker when the anticipated embarrassment is lower.

Experiment 2 demonstrates that different levels and types of anticipated emotions affect consumer choice of face-to-face interactions over impersonal interactions. The experiment shows that consumers mostly choose to engage in face-to-face interaction over impersonal interactions when the interaction is potential embarrassing for self than embarrassing for others. Intensity of anticipated emotion moderates this effect.

This paper provides a new understanding of when consumers choose to engage or avoid face-to-face interactions strategically, and why. With the current research, we provide a theoretical account for situations where a face-to-face interaction works and where it backfires. This paper also offers managerial implications in personal selling, customer service, and online transactions.

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Special Session Summary
Transformative Consumer Research: Is TCR Flourishing or Perishing in the Asia Pacific Region?
Ekant Veer, University of Canterbury, New Zealand*
Lisa Cavanaugh, University of Southern California, USA*
Sameer Deshpande, University of Lethbridge, Canada*

This Special Session has been created to accompany the Roundtable on Transformative Consumer Research in the Asia Pacific Region. The session will introduce some of the panelists as well as offer some insight into their perspectives of how TCR is doing in the Asia Pacific region. Ekant Veer, Lisa Cavanaugh and Sameer Deshpande will present during the session that highlights the importance of TCR as well as the role that TCR plays in the Asia Pacific region and globally. The session will provide a mix of both underlying theories driving TCR as well as some new research. As such, the session would be of interest to emerging and experienced Transformative Consumer Researchers alike.
Lateral Orientation Affects Preference, Perceived Usability and Intent to Purchase

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Jim Leonhardt, Merage School of Business, University of California, Irvine
Jesse Catlin, Merage School of Business, University of California, Irvine

EXTENDED ABSTRACT

If a marketer were to turn to the literature for guidance on how to position a product within an advertisement, s/he would find conflicting results in terms of whether products are preferred facing left or right. Given the sporadic results, s/he may reasonably conclude that facing direction does not matter and thus may orient products within an advertisement based simply on intuition or formatting practicalities. Results from the present research help reconcile these disparate results and helps inform the marketer that spatial orientation is an important component that impacts consumer perceptions. Specifically, the direction a product is facing affects how consumers evaluate products.

In this paper, we limit our focus to the horizontal component of spatial orientation referred to as lateral orientation. Freimuth and Wapner (1979) consider lateral orientation as consisting of two parts: 1) the lateral position of an object along the horizontal midline and 2) the directionality of an object. The directionality of a product refers to the direction a product is perceived to be facing and/or moving. In a first experiment it is shown that spatial orientation has an effect on preference. Precisely which components of a given spatial orientation affect aesthetic appreciation is clarified in a second experiment. In a third experiment we look at whether orientation impacts perceived usability. In a fourth experiment we find test whether orientation affects intent to purchase or usability and the mediator of the effect, using a real advertisement.

Past consumer research on aesthetics has largely focused on the design of the product itself (Bloch 1995; Whitney 1991) and shows that aesthetics affect consumer perceptions of product quality (Garvin 1984; Zeithaml 1988), product differentiation (Dickson and Ginter 1987) and competitive advantage (Holt 1985; Kotler and Rath 1984). Less research has explored the aesthetic ramifications of how a product is oriented within a visual space, which can be referred to as a product’s spatial orientation. In consumer research, spatial orientation has been shown to affect visual attention, eye movement (Janiszewski 1998; Rosbergen, Pieters, and Wedel 1997), and even perceptions of weight (Deng and Kahn 2009). An understanding of spatial orientation is important for marketers since it is one of the first aspects of a product assessed according to their spatial orientation while at longer exposures a more feature (design) based product assessment occurs (Freimuth and Wapner 1979).

Presently, the literature remains conflicted about preferences for right vs. left-facing objects. Some studies have shown a preference for rightward (right facing →) directionality (Christman and Pinger 1997; Freimuth and Wapner 1979; Mead and McLaughlin 1992), while others report instances where rightward directionality becomes insignificant (Christman and Pinger 1997) or even a general preference (Banich, Heller, and Levy 1989) for leftward (left facing ↔) directionality. In addition, various studies have reported moderators of directionality preference such as handedness (which is correlated with hemispheric asymmetries) and cultural reading (Braine 1968; Chokron and De Agostini 2000; Christman and Rally 2000; Heath et al. 2005; Nachson 1985).

Support for rightward directionality comes, in part, from an attentional scanning hypothesis (Beaumont 1985; Graffon 1950; Wölflin 1928). According to this hypothesis, rightward directionality is preferred because it coincides with the direction in which visual attention automatically clears across the visual field. Rightward scanning direction is thought to be the result of visual attention being initiated by the visuospatially oriented right hemisphere (Bradshaw and Nettleton 1983; Bryden 1982; Kosslyn 1987).

In experiment 1 we found lateral orientation to affect preference. Specifically, we found a set of products directed inward to be preferred over the same set of products directed outwards. These findings led us to conclude that preference for directionality was dependent on whether the product was positioned to the right or left of center. Experiment 2 tested for other factors potentially affecting preferred directionality, such as hemispheric processing asymmetries and or reading and writing direction, and found no effect, thus confirming that a preference for right versus left facing direction is dependent on the products lateral position relative to the center of the display. Experiment 3 looked at whether orientation impacts the perception of usability of a product. The results showed that inward facing products were perceived as more usable than outward facing ones. In experiment 4, a real advertisement (taken from a magazine and altered to obscure the brand name and logo) was used to determine whether orientation might impact intent to purchase whether the effect is mediated by processing fluency. Results of this experiment showed that participants who saw the ad with the inward facing product (car) versus the outward facing product had a higher intent to purchase and higher usability rating of the product and that this effect was fully mediated by processing fluency. These effects do not covary with gender or handedness.

In general, the finding that the way in which a product is orientated within a display can have a significant effect on its perceived usability is surprising since nothing about the product itself has changed; rather it is merely displayed in a different lateral orientation. This result supports the view that product evaluations are partially the result of how the stimuli in question are processed and are not the result of the stimuli themselves.; studies by Winkielman et al. (2006) support this view. The biological and psychophysical literature offer possible explanations, and areas for future research, for the occurrence of a preference for inward (versus outward) directionality.

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**Congruency Effect of Brand Status and Vertical Display Positions**

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Yeojin Youn, Seoul National University, Korea (South)

**EXTENDED ABSTRACT**

Recall the experience of visiting a retail shop for a luxury brand or a value brand. Although it is common knowledge that eye-level display attracts most attention, products displayed on high shelves create a certain ambience or unusualness depending on the brand. Despite the same high position of the product, the admiration you are supposed to feel in a luxury shop may backfire in a value store and even lead to devaluation of the products.

According to the inference-based mechanism of position, people draw inferences from the position an object or a person occupies based on their pre-existing beliefs. A recent study examines the existence and consequences of consumers’ position-based beliefs about product layouts, showing that consumers have marketplace metacognitions such that they believe retailers display products in the center because of its high popularity (Valenzuela and Raghubir 2009). However, position advantage in most previous research stems from the horizontal or center position of tangible products. In the current research, instead, we borrow the construct of power, a vertical concept, and investigate the vertical position of brands. It is known that there are certain position rules that lead to physical ordering of people and items (Friestad and Wright 1994; Wright 2002). For instance, when we talk about power, we often use metaphors about up and down. Usually, when a picture of a hierarchy is drawn, the most powerful person is usually at the top and the subordinates are drawn below (Lakoff 1987; Lakoff and Johnson 1980).

Thinking about power involves mental simulation of vertical difference, and higher vertical position in physical space manifests higher power. In short, power is metaphorically described as a vertical dimension in physical space (Schubert 2005).

The purpose of this article is to discover a relevant link between brand status and vertical display positions based on power. Our conceptual framework will provide new insights regarding brand status and vertical position based on power. To the best of our knowledge, this is the first framework to examine brand status in association with power and physical space. The current research especially highlights the congruency effect, where the match (mismatch) increases (decreases) the brand value perception regardless of the actual vertical position.

Our review of the literature elucidates two propositions. First, when the concept of power is triggered, consumers will view brands in a hierarchy based on power. Therefore, activating the concept of power before the evaluation of brand is important since vertical display position is built based on power. Second, the brand status and vertical position in the hierarchy should be congruent with each other to increase the perception of brand value. As such, the current research highlights the congruency effect, where the match (mismatch) increases (decreases) the brand value perception regardless of the actual vertical position. Specifically, when a brand with high (low) status is displayed in a high (low) position, brand value perception will increase. In contrast, when a high (low) status brand is displayed in a low (high) position, brand value perception will decrease. Perceived social acceptance of brand is expected to mediate the relationship between the congruency effect of brand status and display position and brand value perception.

Study 1 examines the effect of congruency between brand status and display position and tests whether brand value perception is mediated by social acceptance of brand. Results indicated that participants perceived Hermes to be more highly valued when it was displayed high (vs. low) in height. Conversely, they perceived a local brand to be more highly valued when it was placed low (vs. high) in height. Perceptions of social acceptance mediated the effect of vertical display position. Study 2 examines whether the predicted effects apply to products even when no brand information is given and highlights the importance of priming the concept of power. Planned contrasts of the data indicated that the effect of display positions emerged only in the prime condition. The product was less highly valued in the up (vs. down) position in the prime condition, whereas the effect disappeared in the no prime condition. Finally, study 3 demonstrates that the effects even occur purely at the brand level with no actual product involved, highlighting again the importance of triggering the concept of power. In the prime condition, the value perception was more positive when the paperboard with power related descriptions of Mercedes Benz was placed in the up position than in the down position. However, the effect of display positions was not significant in the no prime condition when the paper board was comprised of objective facts about the brand.

Through a series of three studies, our research demonstrates that brand status and vertical display position indeed has a congruency effect, where the brand value perception increases (decreases) when there is a match (mismatch) between the two. Our research reveals that only when the concept of power is activated, vertical position has a significant impact on the value perception regardless of the presence of actual product.

**REFERENCES**


EXTENDED ABSTRACT

The various influences of ambiguous visual communication stemming from marketing stimuli such as incomplete logos represent a gap in the consumer behavior literature and in our understanding of how consumers interpret visual stimuli. This topic of investigation is also important from a practical standpoint, given the vast amounts of resources that firms expend on logos as a marketing tool. Drawing on extant literature in aesthetics, art theory, psychology, and marketing, the current research investigates the influence of incomplete typeface logos on consumer perceptions of the firm. Four studies demonstrate that although incompleteness has an unfavorable influence on perceived firm trustworthiness, it has a favorable influence on perceived firm innovativeness. The former (latter) influence stems from the perceived clarity (interestingness) of the logo. Further, incompleteness has an unfavorable influence on overall attitude toward the firm, but only for consumers with a prevention (vs. promotion) focus.

The logos used in this research are representations of firm names without additional pictorial elements. Each complete logo is spelled out with complete characters, while each incomplete logo is styled such that parts of the characters appear to be missing or blanked out and must therefore be filled in by the consumer via a perceptual act. Extant literature suggests that this perceptual act causes consumers to perceive the logo as interesting and creative, a perception which subsequently spills over onto the firm. However, the perceptual ambiguity engendered by the incompleteness also connotes a lack of clarity, which leads to perceptions of low trustworthiness. Further, ambiguity connotes uncertainty, which signals either opportunity or risk, depending on one’s point of view. Thus, the influence of logo incompleteness on overall attitude toward the firm depends on the regulatory focus of the consumer. For consumers with a prevention focus, the risk associated with ambiguity leads to a less favorable attitude toward the firm, but this is not the case for promotion focused consumers.

In the pilot study, participants were given an incomplete or complete version of the same logo. They described their impression of the firm in their own words, and independent coders coded the data for perceptions of firm innovativeness ($M_{i} = .16$ vs. $M_{c} = -.12$, $F(1, 83) = 6.29, p < .05$) and firm trustworthiness ($M_{i} = -.12$ vs. $M_{c} = .31$, $F(1, 83) = 10.18, p < .05$).

Study 1 consists of three experiments, with participants drawn predominantly from a US population (44% male, $M_{age} = 45$ yrs). In each experiment, participants were randomly assigned to one of two versions (incomplete vs. complete) of the same logo. Participants (71, 67, and 69 participants in experiments 1a, 1b, and 1c, respectively) viewed the logo and then responded to a battery of questions. Results revealed that for each incomplete (vs. complete) logo, the firm was perceived as more (less) innovative ($M_{i} = 4.36$ vs. $M_{c} = 3.67$, $F = 5.33, p < .05$; $M_{i} = 3.77$ vs. $M_{c} = 3.18$, $F = 3.16, p < .10$; $M_{i} = 3.93$ vs. $M_{c} = 3.34$, $F = 4.09, p < .05$), but less (more) trustworthy ($M_{i} = 3.93$ vs. $M_{c} = 4.53$, $F = 4.13, p < .05$; $M_{i} = 3.18$ vs. $M_{c} = 3.87$, $F = 4.67, p < .05$; $M_{i} = 3.61$ vs. $M_{c} = 4.49$, $F = 7.57, p < .05$).

In study 2, 185 respondents (59% male, $M_{age} = 46$ yrs) participated in a 2 (completeness: incomplete vs. complete) x 2 (focus: promotion vs. prevention) between-subjects experiment designed to investigate the influence of these variables on overall attitude toward the firm. The latter manipulation was effected via type of firm (entertainment vs. insurance). Results revealed the expected incompleteness x focus interaction ($M_{i}^{(promotion)} = 3.85$ vs. $M_{c}^{(promotion)} = 3.98$ vs. $M_{i}^{(prevention)} = 3.13$ vs. $M_{c}^{(prevention)} = 4.47$, $F(1, 131) = 6.63, p < .05$).

In study 3, 120 respondents (56% male, $M_{age} = 45$, modal income = $50,001 - $75,000) participated in a 2 (completeness: incomplete vs. complete) x 2 (focus: promotion vs. prevention) between-subjects experiment online. The latter manipulation was effected with a standard procedure from the literature. Results revealed the expected main effect of incompleteness on perceived firm innovativeness ($M_{i} = 4.18$ vs. $M_{c} = 3.39$, $F(1, 116) = 9.30, p < .05$) and trustworthiness ($M_{i} = 3.29$ vs. $M_{c} = 3.80$, $F(1, 116) = 5.07, p < .05$). Bootstrap estimation (Preacher and Hayes 2004) with 5,000 resamples, as well as a Sobel test, demonstrated that logo interestingness mediates the influence of incompleteness on perceived firm innovativeness ($M = -.31$, SE = .10, 95% CI = -.50, -.12). Sobel test: $z = -3.08, p < .05$. A similar procedure demonstrated that logo clarity mediates the influence of incompleteness on perceived firm trustworthiness ($M = .23$, SE = .11, 95% CI = .03, .46). Sobel test: $z = 2.50, p < .05$.

Finally, a 2 (incompleteness) x 2 (focus) ANOVA with the overall attitude index as the dependent variable revealed the expected incompleteness x focus interaction ($M_{i}^{(promotion)} = 4.01$ vs. $M_{c}^{(promotion)} = 3.66$ vs. $M_{i}^{(prevention)} = 3.24$ vs. $M_{c}^{(prevention)} = 4.04$, $F(1, 116) = 5.67, p < .05$, partial $\eta^2 = .05$).

REFERENCES


The Effect of Package Color on Consumers’ Judgments of Product Volume
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EXTENDED ABSTRACT
A body of research in marketing has examined the effects of visual biases on consumers’ judgments of product volumes (see Krishna 2007 and Raghunib 2007 for reviews). Although the potential influences of a package’s proportions and shape on consumers’ judgments of product volumes have been studied extensively, marketing research has not examined the potential of package color to bias consumers’ product volume judgments.

Folkes and Matta (2004) observed that attention and size often covary, and provided evidence that attentional differences contaminate people’s judgments of relative size such that objects that attract more attention are judged as larger. Their logic is essentially based on reversing the argument that large sizes attract more attention.

Fashion consultants often suggest that if you want to attract attention, you should wear red (Manji 2009). Research in psychology confirms the common notion that reds (and other high wavelength colors) attract more attention than blues and purples (and other low wavelength colors). Using a variety of methods this research finds that high wavelength colors stand out, “advance,” and are more noticeable, whereas low wavelength colors fade away, “retract,” or go unnoticed (e.g., Johns and Sumner 1948; Luckiesh 1918; Pillsbury and Schaefer 1937; Taylor and Sumner 1945).

Combining research suggesting that high wavelength colors attract more attention than low wavelength colors with research suggesting that objects that attract more attention appear larger leads us to hypothesize that consumers judge products to have greater volumes when their packages are colored with a high wavelength hue (e.g., red) versus a low wavelength hue (e.g., purple).

Consistent with our hypothesis, research in psychology that has examined the effect of color on people’s size judgments has often found that red objects appear larger than equally-sized purple or blue objects (e.g., Bevan and Dukes 1953; Claessen, Overbekeee, and Smets 1995; Gundlach and Macoubery 1931; Wallis 1935; Warden and Flynn 1926). It is also notable that differences in the perceived size of the red and blue areas of the French flag (which are actually equally sized) resulted in an official recommendation to reduce the size of the red area compared to that of the blue (Helson 1951).

A weakness of past research on the effect of color on size judgments is that most of this research did not utilize a standardized color system that differentiates between the various shades of colors. Another weakness of past research in this domain is that it is solely empirical, and does not advance a theory to explain the demonstrated results. We report results from three studies that support our hypothesis.

In study 1, we asked 118 participants to view 30 slides, each of which displayed a pair of shapes arranged vertically that differed in color, and to report which of the two shapes appeared larger. On two of the slides, the shapes were actually of an identical size and differed only in color (red vs. purple and green vs. yellow). Consistent with our hypothesis, significantly more participants judged the red shape to be larger than the purple shape (V = 55 vs. V = 25), (2 (1) = 11.25, p < .01). We also obtained this effect with colors that were closer in wavelength, as significantly more participants judged the yellow shape to be larger than the green shape than vice versa (V = 58 vs. V = 22), (2 (1) = 16.20, p < .01).

In study 2, we asked 11 participants to view pictures of 12 product packages, to estimate the volume of each package in fluid ounces, and to answer a series of distracter questions about each product. We photographed the products next to a can of soda that served as a volume reference and used professional software to re-color the products’ packages. One package, a bucket of fish food, appeared twice in the series, once colored red and once colored purple. Consistent with our hypothesis, a within-subjects ANOVA revealed that participants’ estimates of the volume of the fish food bucket were significantly higher in the red condition (M = 199.09 fl. oz.) than in the purple condition (M = 109.27 fl. oz.), (F(1, 10) = 5.21, p < .05).

In study 3, we asked 16 participants to complete the same procedure as in study 2, but with different product packages, and the addition questions about willingness to pay and liking of the package colors. We implemented the red vs. purple color manipulation using a box of detergent. Consistent with our hypothesis a within-subjects ANOVA revealed that participants’ estimates of the volume of the detergent box were significantly higher in the red condition (M = 3083.33 mL) than in the purple condition (M = 2262.67 mL), (F(1, 14) = 4.64, p < .05). The color manipulation also affected participants’ willingness to pay for the detergent, which was significantly higher in the red condition (M = $5.36) than in the purple condition (M = $3.50), (F(1, 14) = 6.05, p < .05). Participants reported liking packaging of both colors statistically equally (M_red = -1.87 vs. M_purple = -3.73), (F(1, 14) = 1.32, p > .2). Furthermore, the aforementioned effect of color on willingness to pay became non-significant when participants’ volume estimates of the red and purple packages were included in the ANOVA as covariates (F(1, 12) = 0.78, p = .4). In contrast, when participants’ liking of the red and purple colors were included in the ANOVA as covariates, the effect of color on willingness to pay strengthened (F(1, 12) = 14.98, p < .005). Together, these results suggest that color influences willingness to pay via an intermediary influence on volume estimates as opposed to an intermediary influence on attitude toward the packaging.

In a planned fourth study we will test whether attentional differences underlie the demonstrated effect of color on size judgments by manipulating the amount of time that participants spend focusing on differently colored objects, and measuring the effects of these manipulations using an eye-tracking device.

REFERENCES


Confidence Focuses You on the Forest, Doubt Turns You to the Tree: Confidence, Construal Frame, and Information Processing
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EXTENDED ABSTRACT

An extensive literature suggests that states of confidence, compared to states of doubt (Kruglanski 1989), decrease information processing efforts (e.g., Edwards 2003; Weary and Jacobson 1997). For example, Weary and Jacobson (1997) found that people feeling doubtful engaged in greater information processing than those feeling confident. The main explanation for these findings is that feeling doubtful prompts individuals to infer that they have insufficient knowledge, which motivates them to engage in systematical information processing (Chaiken, Liberman, and Eagly 1989; Wood and Lynch 2002). In contrast, feeling confident prompts individuals to infer that they have sufficient knowledge so that they do not need to engage in careful information processing. The present research questions how pervasive the association between doubt (confidence) and increased (decreased) information processing is, and propose that the psychological states of confidence and doubt might evoke qualitatively different thinking with respect to their levels of construal (Trope and Liberman 2003).

According to the traditional explanation for the difference in information processing between confidence and doubt, these states affect whether people rely on preexisting general knowledge structures or focus on the specific data in the current situation to tackle problems (Chaiken et al. 1989). When individuals feel confident, they are certain about the sufficiency of their knowledge, and thus tend to rely on pre-existing knowledge that typically consists of general knowledge and global information. In contrast, when feeling doubtful, individuals are uncertain about whether they have enough knowledge, which prompts them to focus on the low-level details and contextualized information. Research on construal level suggests that thinking about general knowledge and global schematic information, as done by confident people, activates abstract construals. Abstract construals are characterized as constructing schematic, decontextualized representations, and containing goal-related features. In contrast, thinking about low-level details and contextualized information, as done by doubtful people, activates concrete construals. Concrete construals consist of unstructured, contextualized representations, and include means-related features (Trope and Liberman 2003). We thus posit that confidence will lead to abstract construals, whereas doubt will lead to concrete construals.

Although not tested explicitly, this proposition is consistent with several findings in the literature. Research on action identification theory (Vallacher and Wegner 1987) finds that people are more likely to focus on the low-level details in thinking when handling difficult activities that might be associated with doubt. Research on power suggests that feeling powerful is a psychological state associated with confidence (Briñol et al. 2007). A state of high power has been linked to abstract thinking (Smith and Trope 2006). The association between confidence and power and that between power and abstract thinking again hint at the possibility that confidence might be linked with abstract construals.

Recent research in psychology and marketing has soundly documented that the depth of information processing is increased when the target message is framed in a way that matches individuals’ personal characteristics or psychological states (e.g., Tormala et al. 2008; Wheeler, Petty, and Bizer 2005). For example, Tormala et al. (2008) found that confident participants engaged in greater processing than doubtful participants when the message had a confidence frame, because this frame matched their psychological state of confidence. Based on our proposition that psychological states of confidence and doubt activate abstract and concrete construals, we posit that the level of information processing will increase when there is a matching between individuals’ confidence level (confidence vs. doubt) and the message frame associated with construals (abstract vs. concrete construals) than when there is a mismatch.

Four experiments examined our propositions. In experiment 1, participants were first induced to feel confident or doubtful by reading advertisements that highlighted either confidence or doubt, and then completed the Behavioral Identification Form (BIF, Vallacher and Wegner 1989), a scale widely used to assess individuals’ construal levels. The result shows that participants who were primed to feel confident scored higher on the BIF measure than participants who were primed to feel doubtful, supporting our proposition that confident leads to abstract construals compared with doubt:

Experiment 2 tested the proposed relationship between confidence/doubt and construal levels using a different approach. Participants first received the same confidence/doubt manipulation as used in experiment 1, and then indicated their preference between two guest lectures, one having high desirability but low feasibility, and the other having high feasibility but low desirability. Desirability is associated with more abstract construals and feasibility with more concrete construals (Trope and Liberman 2003). This study shows that confident participants exhibited a greater preference for the lecture with high desirability than doubtful participants, again supporting our proposed link between confidence/doubt and construals.

Experiments 3 and 4 test the matching effect between psychological confidence and message frame associated with construals in product evaluation contexts. Experiment 3 primed participants’ level of confidence in a recall task and then exposed them to messages about a hotel. The messages described the task as booking a hotel for a trip next week (near future) that was associated with concrete construals or six month away (distant future) that was associated with abstract construals. The target hotel was described either in strong or weak arguments (Petty et al. 1993). The results show that when the hotel message was framed in concrete construals, the difference in hotel attitudes between strong and weak arguments conditions for doubtful participants was greater than that for confident participants, which replicate the classic effect that confidence undermines information processing as compared with doubt. However, the opposite pattern was documented when the hotel was framed in abstract construals. These findings support that the matching between confidence (doubt) and abstract construals (concrete construal) increases information process.
compared with a mismatching. Experiment 4 replicated the finding documented in experiment 3 by using goal-related (abstract construals) versus means-related (concrete construals) descriptions in framing the message about a fitness club. Experiment 4 also found that elaboration mediated the matching effect.

This research contributes to literature by providing a new theoretical perspective and offering better understandings about the difference in the thinking style activated by psychological confidence versus doubt and its impact on information processing.

REFERENCES


Confidence Focuses You on the Forest, Doubt Turns You to the Tree: Confidence, Construal Frame, and Information Processing

The Moderating Effects of Option Entry Timing on Attraction and Compromise Effects

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EXTENDED ABSTRACT

Context effects, particularly the attraction and compromise effects, concern a general choice reversal whereby adding a third option (C) into a binary choice set comprising a target option (B) and a competitor option (A) increases the relative choice share of the target over its competitor. Typical experiments examining context effects have employed a between-group design by assigning participants to two groups: one group choosing from a binary set (A, B) and the other choosing from the triplet (A, B, C). Both groups are unknown of the options presented to the other group. However, in real life choices, consumers may encounter options in a more dynamic way and may be exposed to both binary and triplet sets. In this paper, we seek to understand the stability of context effects using a within-group design. We ask participants to first evaluate the two core products (A, B) and then introduce the third option (C), after which participants make a final choice. We are interested in the possible moderating effect of the timing of entry of the third option on context effects.

Drawing on theories on choice editing and psychological grouping, we propose that the time lag between presenting the core products (A, B) and the third option (C) leads consumers’ evaluation and decision making process into a two-stage process. Specifically, because the evaluation of a new entrant entails additional cognitive effort and resources, consumers will tend to submit the new entrant to a preliminary evaluation stage by considering its overall attractiveness and acceptability for choice; at this stage, unqualified options are edited out from further consideration. In the case of the attraction effect, because the decoy is perceptually inferior to the target, detecting the inferiority of the decoy is intuitive and effortless. As a result, the decoy is quickly edited out from further consideration and consumers tend to resort back to the initial choice set (A, B) to reach a final choice. Thus, compared with the condition where the decoy is present from the outset, a decoy that is added later to the choice set is less likely to increase the relative attractiveness of the target over its competitor. However, for the comprise effect this moderating effect should not occur. This is because in a compromise choice set all options are equally desirable and consumers would, even after extensive information processing, not be able to generate compelling reasons to discount the desirability and acceptability of the late entrant. Thus the compromise effect is not expected to be moderated by the time of entry of an extreme option.

The above hypotheses were tested in two experiments. Experiment 1 tested the attraction effect and involved 153 participants. Two factors were manipulated in a 3 (choice condition: binary set, triplet set, triplet set with late entry of decoy) x 3 (product category: camera, printer, toothpaste) mixed factorial design. The choice condition was manipulated between-group and the product category within-group. After making the choice, participants also indicated whether they had seriously considered the decoy during the decision-making process.

Because the product category was nested within each participant, data were analyzed using multilevel non-linear modeling. Results suggest that the attraction effect was present in the early entry condition (similar to typical attraction effects studies), but was absent in the late entry condition. The consideration set data mimic the choice data – compared with the early entry condition, fewer participants in the late entry condition seriously considered the decoy. The choice and consideration set patterns did not vary across product categories.

Experiment 2 tested the possible moderating effect of the timing of entry of an extreme option (C) on the compromise effect. One hundred fifty participants took part in this study. The design and choice scenarios in experiment 2 were similar to those in experiment 1. Results indicate that the compromise effect was present in both the early entry condition and in the late entry condition, and the size of the compromise effect did not vary significantly across the two entry conditions. The consideration set formation data again supported the observed choice patterns, with the likelihood of the extreme option being seriously considered being the same in both entry conditions. A post hoc analysis revealed that the compromise effect was fully mediated by whether participants have seriously considered the extreme option.

Together, the two experiments highlight the differential effects of the time of entry of a third option on the attraction versus the compromise effects. It lends support to recent studies explaining context effects as arising from distinct information processing styles. It also contributes to literature exploring the moderators and boundary conditions of context effects. The conclusion section of the paper suggests that future research should look into the effects of option entry timing on other context effects, such as the polarization effect.

REFERENCES


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EXTENDED ABSTRACT

It is now widely accepted that economic theories of choice, which assume the presence of well-defined and stable preferences, provide limited insight into decision processes (Slovic, 1995). Behavioral decision researchers generally acknowledge that most preferences are sensitive to the characteristics of the decision problem and are established during choice. Consumers' preferences are influenced by various task related elements of the decision problem as well as several person related factors.

Product category knowledge is an important determinant of consumer preference. Extant literature lacks the effects of different types of knowledge such as objective and subjective knowledge on preference construction processes. Objective knowledge, which is defined as “what individuals know”, is related to the accuracy of information stored. On the other hand, subjective (self-assessed) knowledge, which is defined as “what individuals think they know”, is related to individual’s level of confidence in their level of comprehension related to the subject at hand. Specifically, accuracy is mainly determined by expertise yet confidence is determined by additional factors like experience that affect confidence without changing accuracy (Park, Mothersbaugh & Feick, 1994; Alba & Hutchinson, 2000).

Based on previous research, preferences are expected to be more stable for individuals who are knowledgeable. However, the nature of differential influences of objective and subjective knowledge on preference construction is unknown. Therefore, the main aim of this study is understanding the role of objective and subjective levels of product category knowledge on preference construction processes. Hence, the impacts of three most prominent task factors on consumer preferences identified in prior research, namely, (1) direction of comparison, (2) attribute salience, and (3) presentation order of attributes are examined at differing levels of objective and subjective knowledge.

In order to investigate the interaction of objective knowledge, subjective knowledge, and involvement with task related factors an experimental study with 2 x 3 x 2 between subjects factorial design is conducted. The task related factors are direction of comparison (brand A focal vs. brand B focal), attribute salience (salient alignable attributes vs. salient nonalignable attributes vs. no salient attributes) and presentation order of attributes (alignable attributes presented first vs. alignable attributes presented last). The influence of task factors on preference construction process is examined through changing the direction of comparison by changing the focal alternative across treatment groups, making some attributes salient and more distinctive by altering the fonts on the display, and finally reordering alignable and nonalignable attributes.

Subjects are randomly assigned to 12 different experimental groups (different forms of pamphlets describing alternative products). Two booklets are delivered to the participants. The first booklet contained the stimulus material, experimental manipulations and the dependent variables. The stimuli used in this study include two brands of mobile phones that are delineated by alignable and nonalignable attributes. Brand A is configured as being superior in terms of nonalignable attributes whereas nonalignable attributes of Brand B are considered as being trivial. On the other hand, Brand B is configured as being superior in terms of alignable attributes when compared to Brand A. Moreover, care is given to make sure that the overall attractiveness of the two brands is equal which is confirmed with a pretest. The main dependent variable of this experiment is preference and it is measured using a polar scale indicating both direction and strength. In addition to that confidence in choice is assessed as well. The second booklet included measures of subjective and objective knowledge of the mobile phones category, and product category involvement together with some queries on demographic information.

We examine the effects of task-related manipulations on preference and confidence for differing knowledge levels. MANCOVA is used to assess the differences in groups based on objective and subjective knowledge levels because this method adjusts for the interactions between covariates and the independent variables.

The results of the experimental study show that, objective knowledge is an essential determinant of individuals’ susceptibility to both preference and confidence in choice, whereas subjective knowledge does not create a notable susceptibility difference. Regarding objective knowledge, individuals with high objective knowledge levels are generally not susceptible to the components of the decision task in contrast to those with low objective knowledge levels, who are more easily influenced by the constructive factors of the decision task. The sensitivity of individuals with low objective knowledge is attributable to the lack of ability to distinguish importance and superiority of different attributes. Regarding subjective knowledge, we have seen that it is not a significant factor of the susceptibility of individual’s preference and confidence in choice, to the components of decision task. In other words, preference and choice-confidence of individuals with high subjective knowledge are not much differently affected by the features of the choice problem compared to those with low subjective knowledge levels since essentially subjective knowledge is not a true indicator of individual’s level of expertise. Rather, it is a self-assessment and it usually does not have a strong correlation with objective knowledge.

REFERENCES


Tit for tat – Is customer retaliation in a service recovery context predictable?
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EXTENDED ABSTRACT
Companies have to deal day-to-day with angry customers whose retaliatory actions can severely damage the companies’ image resulting in possible revenue losses or a deterioration of the stock price (Fullerton and Punj 1997; Luo 2006; Tax and Brown 1998).

However the extant literature on retaliatory behaviour is still in its infancy. To begin with researchers have not yet addressed the following two issues:

First, a unifying concept which can predict different kinds of retaliatory behaviours has not been established yet. As a result of the various concepts for retaliation (e.g. Grégoire and Fisher 2008) the presence of contradictory study results is not surprising (Grégoire, Tripp and Legoux 2009). To close this research gap we introduce and test the concept of negative reciprocity and its ability to predict different kinds of retaliatory actions.

Second, we did not find empirical papers which focus on service recovery strategies (recompense by the company in response to a service failure) to reduce customers’ retaliatory behavior. As companies are constantly looking for strategies to avoid customers’ retaliatory behaviour we test the effectiveness of different service recovery strategies to reduce customer retaliation.

Drawing on social psychology we argue that a person’s motivation for any kind of retaliation is the innate need to get even. In other words if a person feels mistreated she/he wants to pay back in kind (Eisenberger et al. 2004). The principle of negative reciprocity fits exactly this line of reasoning stating that within an interaction between individuals, effort and reward need to be balanced (Eisenberger et al. 2004). The consequence of a negative imbalance is that a person retaliates upon the offender to re-establish her/his self-esteem (Carlsmith 2006).

Therefore we define negative reciprocity in the marketing context as the intention of the customer to retaliate by punishing the company in order to re-establish her/his self-esteem.

We conducted a scenario-based online experiment (n=381) to test the ability of negative reciprocity to predict retaliatory behaviour as well as to measure the effectiveness of different service recovery strategies to reduce customer retaliation. Using structural equation modelling with PLS we test the ability of negative reciprocity to predict retaliatory behaviour. The application of structural equation model is valid as none of the constructs used in the PLS model is subjected to a scenario manipulation (Vinzi et al 2010). For generalizability reasons we make sure that the three retaliatory actions to test the predictive power of the negative reciprocity represent different kinds of retaliatory behaviour. Drawing on the complaining literature we choose negative word-of-mouth, vindictive complaining and third party complaining (Grégoire and Fisher 2008) as retaliatory actions. Negative word-of-mouth is a private response and thus not directly addressed to the company but to family and friends. The second tested retaliatory action is called vindictive complaining and is directly addressed to the service personnel and is classified as a voice response. Eventually third party complaining is an indirect form of retaliatory behavior which is reported to a third party (e.g. a consumer agency) and is therefore called third party response (Singh 1988).

Our result show strong positive relationships between the negative reciprocity construct and negative word-of-mouth, vindictive complaining and third party complaining. Therefore the negative reciprocity can indeed be used to predict the tested retaliatory actions. This result shows that the negative reciprocity construct can capture “weak signals” which indicate possible retaliatory behavior (Ansoff 1976). Thus in the event of a service failure companies could use such an early warning system to quickly perform a service recovery and help the customer. Such a quick response will boost the customer’s satisfaction, sometimes even to a higher level than before the service failure happen (Hocutt, Bowers and Donavan 2006; Magnini et al. 2007).

To test our second contribution on the effectiveness of different service recovery strategies to reduce customer retaliatory intentions we applied ANOVAs. The different service recovery strategies are represented, as it is common in service recovery literature, by varying levels of distributive, procedural and interactional justice (del Río-Lanza et al 2009). Distributive justice is present when the customer perceives the outcome of the service recovery as fair (Maxham/Netemeyer 2002). For example a voucher which entitles the customer to get a price reduction is a service recovery strategy resulting in high distributive justice (McCollough et al. 2000). Moreover procedural justice describes if the service recovery strategy is an efficient process, e.g. a quick compensation of the customer heightens procedural justice (Hocutt et al 2006). Finally interactional justice captures how the service employees deal with the customer. If service employees interact fairly with the customer and provide some explanation for the service failure a higher interactional justice can be achieved (Hennig-Thurau 2004). Our results of the ANOVAs show that most notably recovery strategies which are high on distributive (e.g. through vouchers, gift) and interactional justice (e.g. through friendly service personnel) are effective to reduce customer’s retaliatory intentions. However a fast recovery process does not heavily influence customer’s retaliatory intentions indicating that customers are obviously used to wait in the event of a service recovery. Furthermore we found a 3-way interaction of distributive, procedural and interaction justice on negative reciprocity. This result shows that there exist several trade-offs between the different service recovery strategies which need to be kept in mind when attempting to reduce customer’s retaliatory intentions.

Overall our results confirm the ability of the negative reciprocity construct to predict customers’ retaliatory behavior within a service recovery context and thus to act as an early warning system. Moreover the paper gives companies hints what kind of service recovery strategies they should use to effectively reduce customers’ retaliatory intentions.

REFERENCES


EXTENDED ABSTRACT

Prior cultural research generally agrees that Asian consumers (collectivists) are less likely to complain but more likely to switch and to spread negative word-of-mouth than Western consumers (individualists) in service failures (Chan and Wan 2008; Lowe and Corkindale 1998). The key argument is that Asians’ general belief in social harmony prompts Asian consumers to refrain from confrontational responses (e.g., to voice out discontent publicly in service failures); therefore, they are more likely to choose nonconfrontational responses to express their discontent (e.g., switching and negative word-of-mouth).

Despite the fact that social harmony is a well-established argument in explaining why collectivists are less likely to complain than individualists in service failures, the prevailing argument may deem insufficient when other aspects of cultural value and service failure are taken into consideration. For instance, in the social psychology and communication literature, many researchers have found that the cultural value of face concern plays a significant role in influencing conflict management (Cocroft and Ting-Toomey 1994). “Face” refers to the positive social value a person effectively claims for himself (Goffman 1967). It has been recognized as a critical construct that explains the basic human need for social acceptance across individualistic and collectivistic cultures (Hwang et al. 2003). Since collectivists are more sensitive to face issues than individualists (Hui and Triandis 1986), it is possible that the former take more serious offense in service failures (e.g., to choose confrontational response) if the incident involves face-threatening elements.

As noted in the face concern literature (Ting-Toomey and Kurogi 1998), there are two focuses of face concern in social interactions, namely, a self-face concern and an other-face concern. A self-face concern refers to a tendency to focus on maintaining one’s own image in a social situation, whereas an other-face concern is a tendency to focus on maintaining other’s image in a social situation. In general, collectivists are concerned with both self-face and other-face, whereas individualists are concerned with self-face only. Arguably, if a service failure heightens other-face concern, it is predicted that collectivists would be less likely to complain than individualists because they are more sensitive to other-face in conflicts. In contrast, if a service failure heightens self-face concern, it is possible for collectivists to complain more than individualists given that collectivists are more sensitive to face issues than individualists. In other words, whether collectivists will complain more or less than individualists would be contingent on the relative salience of self-face concern versus other-face concern in a service failure.

Deriving from the distinct characteristics of an embarrassing and a non-embarrassing failure, it is predicted that collectivists would complain more than individualists in embarrassing failures but a reverse pattern is expected in non-embarrassing failures. As an embarrassing failure involves a significant loss of face, it will heighten collectivists’ self-face concern and motivate them to engage in a variety of facework remedies to maintain their own face. Thus, they may have a higher intention to complain, to switch, and to spread negative word-of-mouth than individualists. In contrast, a non-embarrassing failure does not involve a significant loss of face, thus it would not heighten collectivists’ self-face concern. Other-face concern, however, would be relatively more salient in governing collectivists’ behaviors in this situation. Thus, collectivists may be less likely to complain than individualists in a non-embarrassing failure because they are more willing to preserve others’ face and avoid direct confrontation in conflicts. In this case, collectivists (vs. individualists) would be more likely to choose non-confrontational responses to express their dissatisfaction, such as switching and spreading negative word-of-mouth.

A 2 (cultural group: collectivists vs. individualists) X 2 (failure type: non-embarrassing vs. embarrassing) between-subjects experimental design was used to examine the hypotheses. Participants comprising 118 undergraduate students, with 60 Chinese students (46% male, average age = 20) from a university in Hong Kong and 58 American students (52% male; average age = 21) from a university in the United States. Results indicate that only in a non-embarrassing failure would collectivists be less likely to complain, more likely to switch, and to spread negative word-of-mouth than individualists. In an embarrassing failure, however, collectivists are actually more likely to complain, switch, and spread negative word-of-mouth. These results not only yield interesting insights into cross-cultural consumer behaviors, but also provide rich managerial implications.

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The Effect of Service Employee Accent on Service Quality Perception: an Exploratory Study

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EXTENDED ABSTRACT

In many of the developed western countries such as Australia, the US and the UK a large part of the service workforce is made up of immigrants with cultures and accents different from their adopted country. Research has shown that ethnicity impacts on salesperson’s sales performance (Deschields, Kara and Kaynak 1996), job interview judgement and decisions (Purkss et al 2006) and even customer satisfaction evaluations of service providers (Hekman et al 2010). However, with the increasing use of technologies many firms have outsourced or relocated their service processes offshore, meaning that even when customers believe they are dealing with a local firm the service employee may be domiciled on the other side of the world. The effect is that more and more opportunities arise for customers to deal with service personnel that have an accent different to the standard accent of the customer’s home state or country. Moreover, much of the contact with a firm and its employees is now done without face-to-face encounters. Aside from internet transactions many direct communications between a customer and firm are done by telephone. In this situation there are no visual cues that may help provide the customer identify the friendliness and competency of the service employee during the interaction. As such one of the main cues used by customers is the service employee’s accent. Yet accent is often perceived as an important indicator of one’s intelligence, kindness, ethnicity, regional affiliation and social class (Lippi-Green 1994). This may therefore positively or negatively bias the customer’s evaluation of the service they receive depending on the perceived cultural congruency between customer and service employee.

It is surprising therefore that little research has been done on the impact a service employee’s accent has on service evaluation. We conducted an exploratory study designed to uncover the attitudes and perceptions of Australians to service personnel with accents that are different from their own. A qualitative study was undertaken using in-depth interviews with customers (n=20) who had had experiences dealing with service employees with a foreign accent. Customers were asked to recount examples of experiences, both good and bad, they have had with service employees. The perceptions, attitudes and tolerance of service providers’ accents were investigated from the customer’s point of view.

In many cases participants revealed that the individual characteristics of the service provider were overlooked as a stereotypical image of the ethnicity of that person prevailed. The reactions to accents were both positive and negative, although this depended upon the type of accent encountered and the context of the service encounter. Positive reactions to accent appeared when there was some cultural congruence between the accent of the service provider and the context. For example: the Italian waiter in the Italian restaurant. The findings of this study also revealed that accents were perceived as problematical to deal as they were often perceived as a surrogate for underlying problems with communication, perceived competence and trust. Dealing with a service employee with a foreign accent became more problematical when the customer had no visual cues, such as facial expressions (smiles) and body language, to help make assessments of the quality of the transaction. These situations occurred when the customer was dealing with call centres. It appears that negative stereotyping occurs most when customer’s only have the voice of the service provider with which to make judgements about the service provider. Customers were less likely to assign negative stereotypes to service providers with accents when the encounter was face-to-face. However, hearing an accent from a call centre appeared to evoke a negative predisposition to accents such as Indian or Filipino, reduce the customers’ level of tolerance and ultimately the influence the evaluation of the quality of service the customer received. Many participants revealed that this was an instantaneous response to hearing a accent. When pushed on this point of trust respondents were at pains to say that it is not a racial prejudice but a conditioned response to the prevalence of calls from telemarketers with foreign accents.

There was a general perception that an accent meant the service employee has English as a second language. As such there was a stereotypical expectation that there would be communication difficulties. For many this expectation became a reality when dealing with the service provider with a foreign accent, thus further reinforcing the stereotype of accent equalling language barriers, and difficulties with communication. Participants perceived that dealing with a service provider with an accent, especially over the telephone, meant that they would not receive as good a service quality as dealing with someone who sounded like them. This lack of perceived responsiveness also lead to a perception that the customer was not assured that they had received the best possible service or that their problem was solved. Hearing a service employee with a foreign accent appeared to reduce the level of tolerance with the service response. This may be due to a belief that they were not being able to be understood. As such the service provider was perceived as not contributing to their side of the encounter. As a result this negatively affected their perceptions of the firm.

Service firms should be aware of the potential influence on customer satisfaction that employing frontline service staff with an accent has (Aron and Singh 2005). As such, firms do need to develop strategies to manage customer reactions to service employees with accents different to the standard for that region. The customer’s perception and evaluation of service quality influenced by service employees’ accents can be explained by the cultural congruency theory. Customers see a service employee with similar accent as someone who is similar to them culturally and who can understand them better, which in turn inspires confidence and reduce perceived risk in the service encounter. From the service employee’s point of view it is evident that developing and displaying a better understanding of the customers’ cultural background and values is needed to minimise the negative effect of service employees’ accent. Moreover, the customers’ perceptions of a lack of competence and a standard scripted response by an accented service provider need to be broken down.
More training in language skills as well as cross-cultural training should be undertaken as a way of reducing the customers’ perception that they are not being understood.

REFERENCES


Journal of consumer research sees an increasing amount of research that helps better understand the cultural context of brands, especially in emerging markets (e.g., China, India). growing number of papers on brands (especially in Chinese context) also appear in other international journals such as Consumption Markets and Culture, Journal of Consumer Culture, Journal of International Marketing, Journal of Macromarketing, Marketing Theory, Journal of Advertising, and in other disciplines such as anthropology, geography, and sociology. Practitioners will get known about what is the distinct of brand theories, how to make connection with other disciplines and how to make contribution to the global brand culture.

The distinctive perspective of the interdisciplinary research on brands has advocated a cultural approach to branding (Calya and Eckhardt 2008). Brands could be seen as a cultural form that evolves with the changes of their historical, geographical and social context. Schroeder and Salzer-Mörling (2006, p.4), in their articulation of brand culture, state that “If brands exist as cultural, ideological, and political objects, then brand researchers require tools developed to understand culture, politics, and ideology, in conjunction with more typical branding concepts, such as equity, strategy and value”. They defines brand culture as “the cultural codes of brands - history, images, myths, art, and theatre - that influence brand meaning and value in the marketplace (p.124). Brand meaning and brand value are operated by “various authors” such as brand owners, consumers, popular culture (e.g. popular music, fashion, mass media), and other important stakeholders (Bengtsson and Ostberg 2006; Holt 2004). Branding is thus a specific way of constructing the world, and “different types of brands and ways of managing and consuming brands have also emerged in different places, which we call brand cultures” (Cayla and Arnould 2009, 101). Different cultural backgrounds produce different kinds of brands.

Chinese brand culture has been understood largely in three different ways. Firstly, much research concentrated on how western brands influence Chinese consumers and how they develop in Chinese market. This stream of research has investigated the appeals of western advertisements, brand names and western movies (e.g., Tse, Belk, and Zhou 1989; Schmitt, Pan, and Tavassoli 1994; Wang 2000; Zhao and Belk 2008a, b; Zhou and Belk 2004; Dou, Wang, and Zhou 2006; Zhu 2002), how Chinese consumers consume western brands (Dickson et al.2004; Dong and Tian 2009; Eckhardt 2005; Hooper 2000; Zhu 2002), and how western branding frameworks can be applied in Asian and Chinese market (e.g. Roll, 2005; Temporal 2001, 2005). In these researches, the cultural, economic, psychological and historical approaches are often applied to examine the change of Chinese consumer culture and brand culture, including the tensions between an ever-increasing homogenisation of global culture and the difference of Chinese culture (Briley, Morris, and Simonsson2000; Hsee et al. 2003).

Secondly, another stream of research focuses on the development of Chinese brands from a historical perspective (Eckhardt and Bengtsson 2007; Gerth 2003). For instance, Chinese consumers used material symbols to manifest their social status, such as an affiliation with the Imperial Palace and showing the worth of family name even in imperial China (Eckhardt and Bengtsson 2010; Hamilton and Lai 1989; Zuo 1999). By tracing branding practices in China from 2700 BC to contemporary times, Eckhardt and Bengtsson (2010) unfold a sophisticated and distinctive brand infrastructure with a continuous history in China.

Lastly, the interaction between traditional culture and brands has been highlighted as important in the understanding of brands as a global representational system (Schroeder 2010). In Chinese context, studies of historical and geographic contexts of brands offer potential bridges to managerial intentions, consumption ideology and the mythology of brands. For example, how the traditions and religions influence Chinese brand development and consumer consumption behaviour, especially in the areas of 55 ethnic minority groups within China leaves an unstudied space for further research.

In the 2011 APACR conference, we seek to map out what we learn about Chinese brand culture, the potential tensions between localisation and globalisation of brands in Chinese context and therefore help researchers engage with distinctive perspective about brand research in Chinese context. We also bring together researchers to discuss how Chinese brand culture contributes to an increasingly interdisciplinary research and sheds lights on fundamental issues of consumer agency, consumer behaviour and consumer culture. More specifically, the researchers discussed what the emerging topics in the global brand culture are, how Chinese brands and identity interact within culture and with religion, history and politics as well as how western brands and Chinese brands work with Chinese consumers.

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SPECIAL SESSION SUMMARY

Chinese Consumer Culture and Brand Culture

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The Signature Effect: How Signing One’s Name Influences Consumption-Related Behavior
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EXTENDED ABSTRACT
Handwritten signatures play an important role in everyday life. However, the potential influence of signing one’s name on subsequent behavior has not been investigated to date. In this paper, we examine the possibility that the mere act of signing might influence consumption-related behavior (e.g., how much time one spends in a retail store or what one buys there). We introduce and test a theoretical account of how signing affects subsequent behavior.

People associate their signature with their identity. The act of signing one’s name is a highly expressive behavior (Warner and Sugarman 1986; Zweigenhaft and Marlowe 1973) – individuals tend to craft a signature that is clearly distinguishable from others’ signatures and thus difficult to forge (Bensefia et al. 2005; Kam et al. 2001). Consistent with the premise of a strong association between one’s signature and one’s self-identity, people believe that the unique manner in which they sign their name reflects their personality and character traits (King and Koehler 2000; Rafaeli and Klimoski 1983).

We propose that signing one’s name acts as a general self-identity prime. Building on the theory of affordances (Gibson 1977; Greeno 1994), we hypothesize that the general priming of one’s self-identity (as a result of producing one’s signature) makes it more likely that situational affordances activate the relevant aspect of one’s self-identity, and that this in turn promotes behavior that is congruent with the activated aspect. This implies concrete predictions about a variety of behavioral consequences, depending on the particular situation that an individual is in.

In this paper, we test such predictions about consumption-related behavior in several domains. We present evidence from four studies that examine the effect of signing one’s name in situations that afford different aspects of a consumer’s self-identity – strength of identification with different product domains (studies 1 and 2) and social identities (studies 3 and 4). In each of the studies, participants were randomly assigned to either sign or print their own name on a blank piece of paper (ostensibly for a separate study about handwriting) before entering the focal situation.

The first two studies examine how signing affects the relationship between how closely consumers associate their self-identity with a specific product category and their level of engagement in a shopping task in that category, both in a controlled laboratory setting (study 1) and in an actual retail environment (study 2). Based on our theoretical framework, we predicted that signing their name would cause consumers who strongly associate a product domain with their self-identity to become (even) more behaviorally engaged when shopping in that domain, and that it would have the opposite effect – i.e., causing them to be (even) less engaged – if they do not associate the domain with their self-identity. The results of studies 1 and 2 provide strong support for these predictions. In study 1, participants completed a computer-based shopping task in one of two product categories – one that was closely associated with their self-identity (cameras) and one that was not (dishwashers). The task required them to search for attribute information about multiple products. Consistent with our theoretical account, signing caused an increase in the amount of information search when shopping for products that are strongly associated with participants’ self-identity, but a decrease in search for products where that is not the case.

Study 2 was conducted in a retail store. Participants’ task was to shop for a pair of running shoes (with the goal of selecting their preferred pair). In support of our theoretical account, for consumers who closely associate their identity with running, signing (vs. printing) their name prior to entering the store caused an increase in the number of pairs of running shoes they tried on and in the amount of time they spent in the store, whereas it had the opposite effect (i.e., it reduced engagement) for consumers who do not associate their identity with running.

Studies 3 and 4 examine the effect of signing on behavior in connection with consumers’ self-identity. Based on our theoretical framework, we predict that signing one’s name in a context that affords a particular social identity activates one’s identification with the afforded social group. In line with this, study 3 shows that signing causes people to identify even more closely with a social group to which they belong (an in-group), and to identify even less closely with a social group to which they do not belong (an out-group). These findings are based both on ratings of strength of identification and on response-time measures.

Study 4 examines how signing their name influences the extent to which consumers signal their social identity through their product choices, and it does so using an identity-signaling paradigm adapted from Berger and Heath (2007). As predicted by our theoretical account, signing had a polarizing effect on consumption behavior in a setting where a particular social identity was afforded. Signing (vs. printing) their name caused participants to diverge more from an out-group and conform more with an in-group, and this effect was stronger in product domains that are more relevant to signaling one’s identity to others. Finally, an analysis of decision times provides further support for the proposed mental mechanism – i.e., that the signature effect is driven by the activation of the particular aspect of a consumer’s self-identity that is afforded by the situation.

The present research is the first to show that signing one’s name influences subsequent behavior in a predictable manner. It advances our understanding of priming effects by proposing and demonstrating that a general self-identity prime (such as the act of producing one’s signature) increases responsiveness to identity-relevant cues, and that this leads to contrasting effects on behavior depending on which aspect of one’s self-identity is afforded in a particular situation. Finally, because consumers sign their name (or can be asked to do so) in many consumption contexts, our findings also have important practical implications for both sellers (e.g., retailers) and consumers.

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“I Don’t” versus “I Can’t”: Verbal Framing for Psychological Empowerment
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EXTENDED ABSTRACT
In this research, we propose that the language used to communicate self-regulatory efforts serves as a feedback mechanism that signals to oneself either a sense of empowerment or a lack thereof, thus influencing goal achievement. Specifically, with five studies we demonstrate that using the word “don’t” (vs. “can’t”) has a favorable influence on feelings of empowerment and perceived effectiveness of the refusal strategy, as well as on actual behavior.

A stream of research in the judgment and decision-making literature has focused on the influence of different types of framing that are logically equivalent (e.g., ½ vs. 50%; 3% fat versus 97% fat-free). More recently, research in linguistics and persuasion has focused on the influence of words that are not entirely equivalent but nonetheless quite similar and often used interchangeably (e.g., think vs. feel; anytime between vs. only between).

The focus of the current research falls into this latter category of verbal framing. We investigate how the decision not to veer away from one’s goal may be framed in terms of a determined (don’t) versus deprived (can’t) refusal. We theorize that utilizing a determined (don’t) versus deprived (can’t) verbal framing signals the level of empowerment and control one has in achieving one’s self-regulatory goal, resulting in a differential influence on the likelihood that we will engage in goal-directed behavior. Saying “I don’t do X” connotes a firmly entrenched attitude rather than a temporary situation, and it emphasizes the personal will that drives the refusal. Thus, using the word “don’t” serves as a self-affirmation of one’s personal willpower and control in the relevant self-regulatory goal pursuit, leading to a favorable influence on feelings of empowerment, as well as on actual behavior. Saying “I can’t do X” emphasizes an external cause, resulting in less feelings of empowerment and thus also hindering the self-regulatory goal pursuit in question.

In Study 1, 47 undergraduates participated in an experiment based on a dieting scenario. Participants were told that they had come up with a strategy “about how to respond when you see a food item that you want to eat, but is not good for your weight loss goal.” Every time they saw a tempting food item, they would tell themselves either “I don’t eat X” or “I can’t eat X.” depending on the experimental condition. An ANOVA with perceived effectiveness as the DV revealed the expected main effect ($M_{don't} = 4.91$ vs. $M_{can't} = 3.50$, $F(1, 44) = 8.36, p < .01$). A similar ANOVA on perceived empowerment also revealed the expected main effect ($M_{don't} = 5.91$ vs. $M_{can't} = 4.79$, $F(1, 45) = 6.73, p < .05$). Mediation analysis supported full mediation by the empowerment index of the influence of verbal framing on the effectiveness index.

In studies 2a and 2b, we replicate these results and also demonstrate a boundary condition: the results are reversed when an external cause for the goal pursuit is made salient. This is consistent with Deci and Ryan’s (1987, 1025) characterization of autonomy and empowerment as that which is “an inner endorsement of one’s actions, the sense that they emanate from oneself and are one’s own.” Thus, when the cause or motivation for refusal is externally driven or derived, a deprived (can’t) framing, which better emphasizes and aligns with the external cause, is more effective.

In Study 2a, 179 adults first read a scenario in which they imagined that they had decided to work out at the gym on a regular basis. They were given the “don’t” or “can’t” framing, and those in the internal (external) condition were told to imagine that they did this for their own (a friend’s) sake. A two-way ANOVA with perceived effectiveness as the DV revealed the expected framing x focus interaction ($M_{don't, internal} = 5.98$ vs. $M_{don't, external} = 4.60$ vs. $M_{can't, internal} = 4.79$ vs. $M_{can't, external} = 5.81$, $F(1, 174) = 16.59, p < .001$). Further, mediation analysis supported full mediation by the empowerment index of the influence of verbal framing on the effectiveness index in the internal focus condition.

In Study 2b, 120 undergraduates read a scenario in which they imagined that they had a goal to lose weight. A two-way ANOVA with perceived effectiveness as the DV revealed a main effect of focus ($M_{internal} = 3.30$ vs. $M_{external} = 4.88$, $F(1, 116) = 20.66, p < .001$) and the expected framing x focus interaction ($M_{don't, internal} = 4.09$ vs. $M_{don't, external} = 4.08$ vs. $M_{can't, internal} = 2.52$ vs. $M_{can't, external} = 5.63$, $F(1, 116) = 20.74, p < .001$). Further, mediation analysis supported full mediation by the empowerment index of the influence of verbal framing on the effectiveness index in the internal focus condition.

Study 3 provided further support for empowerment as the process mechanism underlying the effectiveness of the “don’t” strategy by using a priming task to induce an increased (vs. decreased) reliance on empowerment via the priming of autonomous (vs. controlled) motivation. A two-way ANOVA with perceived effectiveness as the DV revealed a main effect of verbal frame ($M_{don't} = 5.25$ vs. $M_{can't} = 4.27$, $F(1, 79) = 4.49, p < .05$) and the hypothesized interaction ($M_{don't, autonomous} = 5.74$ vs. $M_{don't, autonomous} = 3.76$, $M_{can't, controlled} = 4.65$ vs. $M_{can't, controlled} = 4.63$, $F(1, 79) = 4.20, p < .05$).

In Study 4, 30 working women participated in an intervention exercise in which they adopted a new strategy for healthy living and reported how the strategy was working for them every day for a 10-day period. Participants were assigned to either a “don’t” or a “can’t” framing condition, or a non-specific control condition. Results revealed that 8 (of 10) participants in the “don’t” condition persisted the full ten days, whereas only 1 (of 10) participant in the “can’t” condition and 3 (of 10) participants in the control condition did so. An ANOVA with number of days of persistence as the DV revealed the expected framing x focus interaction ($M_{don't} = 9.20$ vs. $M_{can't} = 2.90$ vs. $M_{internal} = 5.20$, $F(2, 27) = 11.82, p < .001$).

REFERENCES


CREATIVITY WITHOUT ATTENTION: THE IMPACT OF UNCONSCIOUS DELIBERATION DURATION

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EXTENDED ABSTRACT

Though deciphering the sources of creative ingenuity is clearly important for both consumer satisfaction and corporate success, research on creativity within this context has been relatively limited (e.g., Burroughs and Mick 2004; Moreau and Dahl 2005). Given the recent findings on the superior capabilities of unconscious thoughts (i.e., “deliberation in the absence of conscious attention directed at the problem,” Dijksterhuis et al. 2006, p.1005) in processing complex information and decision making (e.g., Dijksterhuis 2004), it is reasonable to argue that unconscious deliberation has a role to play in facilitating creativity in consumer domains.

Indeed, pioneering research has found initial evidence supporting the positive impact of unconscious thought on creativity. For example, in one study (Dijksterhuis and Meurs 2006), participants were asked to list out Dutch place names starting with the letter“A” (Experiment 2a) or letter “H” (Experiment 2b). Whereas those who deliberated consciously generated more names of large cities and towns, those who deliberated unconsciously reported more names of small villages. This suggests that unconscious thought may have better access to unusual, pre-stored information. In fact, a subsequent study (Zhong et al. 2008) found that, for difficult remote association test (RAT) items, a short period of unconscious thought, as opposed to an equal duration of conscious thought, increased the speed at which participants were able to respond to the RAT items correctly. Unfortunately, in this study, unconscious thought did not increase the number of correct answers provided by participants. Thus, despite these encouraging findings, it is unclear how the power of unconscious thought can be adequately harnessed to improve actual creativity.

The current research seeks to fill this gap in the literature and sheds light on the conditions under which unconscious thought positively impacts creative ingenuity. We conceptualize the impact of unconscious thought on creativity as a two-stage process (Zhong et al. 2008). In the first phase, unconscious deliberation generates creative ideas for the target task, resulting in “deep activation” of mental constructs representing these ideas (Wegner and Smart 1997). This deliberation is a goal-driven process (Bos et al. 2008) and is monitored unconsciously (Bongers and Dijksterhuis 2009; Moskowitz et al. 2004)—once the goal of generating creative ideas is deemed completed, the unconscious ceases to deliberate about the target task. Thus, even if an individual is allotted ample amount of time for unconscious deliberation, that person might not deliberate unconsciously for the entire duration and could stop generating creative ideas early on. In the second phase, the fruit of the unconscious labor is outputted. Because this outputting (e.g., writing down ideas) is typically a conscious process, the deeply activated constructs need to emerge from the unconscious to the conscious to be successfully realized. However, because the activation of mental constructs decays rapidly (e.g., Kiefer and Spitzer 2000), the longer the gap between the time when the constructs were activated and the time when they are outputted, the fewer of these constructs would remain activated enough to be transferred to consciousness. Thus, the combined outcome of the goal directed generation phase of unconscious deliberation and the decay of unconsciously activated mental constructs results in an inverted-U shaped relationship between duration of unconscious thinking and creativity performance—when the duration of conscious thought is short, few constructs are generated and, thus, few constructs are available to be outputted. However, when the duration is too long, some or all of the found constructs may no longer be sufficiently activated to be consciously realized.

Though conscious deliberation is also a goal-driven process, it does not hinge on the transference of unconsciously activated mental constructs to consciousness. By definition, conscious thought makes the fruit of its labor consciously available. Thus, even if conscious thought is inferior in searching and processing large amounts of information (Dijksterhuis 2004), it is not affected by deliberation duration in the same manner as is unconscious thought. In fact, because conscious thought operates at a slower speed than unconscious thought (cf. Wilson 2002), longer duration of deliberation is required to consciously activate mental constructs pertaining to the target task. Thus, the creative output of unconscious deliberation is likely to be superior to that of conscious deliberation only when deliberation duration is moderate.

We tested these hypotheses in two experimental studies. In Experiment 1, participants were first shown the target task (i.e., write down things they can do with paperclips, adapted from Dijksterhuis and Meurs 2006, Study 3). Those in the conscious-thought condition were given one (vs. three vs. five minutes) to think about how to answer the question and then two more minutes to write down their responses. Those in the unconscious-thought condition, however, spent the first period of time on a distraction task—a two-back lexical task that affects executive functioning severely and thus eliminates conscious thought (cf. Jonides et al. 1997); these participants were then given two minutes to write down their answers. Two independent judges evaluated each participant’s responses in terms of overall creativity (i.e., the extent to which the usage ideas is innovative and novel). Consistent with our predictions, a curvilinear relationship between the duration of unconscious deliberation and creativity was found. Participants’ creativity performance, in terms of the quantity of ideas generated and the extent to which the ideas were creative, first increased with the duration of unconscious deliberation, and then decreased. Participants in the unconscious-thought conditions outperformed those in the conscious-thought conditions when the deliberation duration was three minutes, but not one or five minutes. Finally, given that no difference in affective experiences was found between the two thought-type conditions, these patterns of results are consistent with the theoretical account we proposed but inconsistent with an affect-based explanation.

Whereas Experiment 1 assessed the range and the quantity of creative ideas generated, Experiment 2 focused on investigating the impact of unconscious thought on the
extent to which a single solution for a specific task (i.e., designing a toy for children) is creative. The findings of experiment 2 were consistent with those of Experiment 1, providing further support to our hypotheses.

REFERENCES


Influence of Information Unpacking on Preference for Future Events
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EXTENDED ABSTRACT
Consumers frequently consider, evaluate, and choose among products or services that may be consumed at some point in the future (e.g., Wilson and Gilbert 2005). The temporal distance of these future consumption experiences can range from a few seconds to many months. In the present research, we examine the interplay between (1) the degree of specificity of information about consumption alternatives on a particular feature dimension — i.e., in general, aggregate terms (“packed”) or in more specific, fine-grained terms (“unpacked”) — and (2) the temporal distance at which the alternatives might be consumed — i.e., in the proximal or distant future — in determining consumers’ evaluations of, and choices among, these alternatives.

People’s mental representations of events that will (or might) occur in the near future differ systemically from those that will (or might) occur in the distant future. In particular, prior work on temporal construal theory (Liberman and Trope 1998; Trope and Liberman 2003) suggests that individuals tend to think of near future events in specific, concrete terms ("low-level construal") and of distant future events in less specific, more abstract terms ("high-level construal"). Another body of research has examined the effects of explicitly listing (or “unpacking”) different classes or categories of a general event on estimates of the probability of that event’s occurrence. Specifically, work on support theory (Rottenstreich and Tversky 1997; Tversky and Koehler 1994) has demonstrated that presenting an unpacked description of a general event (e.g., a natural disaster), and eliciting separate probability estimates for each of its constituent events (e.g., an earthquake, a flood, a tropical storm, etc.), leads people to judge the general event to be more likely overall.

Building both on support theory and on temporal construal theory, we propose the key hypothesis that, when evaluating alternatives that are to be consumed in the near future, consumers tend to rely more on features that are presented in an unpacked format than on those that are presented in a packed format. By contrast, we hypothesize that, when evaluating alternatives that are to be consumed in the distant future, consumers tend to rely more on features that are described in a packed format than on ones that are unpacked.

We designed an experiment to test the predicted moderating effect of temporal distance on how the unpacking of a feature dimension affects the weight of that dimension in the evaluation of a future event. For each of two domains, participants first read a scenario that characterized a future event in terms of two key feature dimensions, and then evaluated that event. The two domains were leadership seminars and mountain cabin resorts. The descriptions of the events were constructed such that each was relatively more attractive in terms of one feature dimension and less attractive in terms of the other. Thus, the assessment of the events entailed a tradeoff between the two dimensions. For each event, one of the two feature dimensions was packed — i.e., the attractiveness of the event on this dimension was characterized in the form of a single, overall rating — and the other was unpacked — i.e., five separate ratings reflecting more fine-grained aspects of the dimension were presented.

The two key experimental manipulations were as follows. First, temporal distance was varied such that an event was described as taking place either in the near future — i.e., in the next week — or in the distant future — i.e., in several months (see below for the descriptions of the domain of seminars). Second, the unpacking pattern was manipulated such that the feature dimension on which an event was more attractive was either packed or unpacked, and the dimension on which it was less attractive was presented in the opposite format — unpacked or packed, respectively. The basic experimental design was a 2 (temporal distance) x 2 (unpacking pattern) between-subjects full factorial. Participants were randomly assigned to one of the four conditions. In addition, the domain (leadership seminar, mountain cabin resort) was a within-subject factor — participants first completed the task for the seminar and then for the resort. Ninety-three undergraduate students participated in the experiment for partial course credit.

LEADERSHIP SEMINAR
Imagine that a free 3-hour seminar on Leadership Skills will be offered on campus at various times { next week / in six months }. You are able to select any of these times, some of which would fit well into your schedule. Two of your professors have recommended that you take this seminar. You have found the following average ratings of the content of the seminar and of the instructor based on a survey of students who had taken the seminar in the past. These ratings are based on a 10-point scale ranging from strongly disagree (1) to strongly agree (10).

- Overall, the quality of the seminar content was excellent: 9
- Quality of the instructor:
  - The instructor treated students with respect: 6
  - The instructor was well prepared: 7
  - The instructor used seminar time efficiently: 5
  - The instructor had solid knowledge of the subject: 7
  - The instructor answered questions clearly: 5

The scenario used to describe the seminar in the more-attractive-feature-unpacked condition used the same introductory paragraph, but included the following characterization of the event in terms of the two feature dimensions:

- Overall, the quality of the seminar content was excellent: 6
- Quality of the instructor:
  - The instructor treated students with respect: 9
  - The instructor was well prepared: 10
  - The instructor used seminar time efficiently: 8
  - The instructor had solid knowledge of the subject: 10
We performed a 2 (temporal distance) x 2 (unpacking pattern) x 2 (domain) repeated-measures ANOVA on subjects’ likelihood judgments, with temporal distance and unpacking pattern as between-subjects factors, and domain (seminar vs. resort) as a within-subject factor. First, while neither the main effect of temporal distance ($F(1,89) = 0.87, p = .35$) nor that of unpacking pattern ($F(1,89) = 0.51, p = .48$) are statistically significant, the critical interaction effect between temporal distance and unpacking pattern is ($F(1,89) = 9.08, p = .003$). The nature of this interaction is in line with our key hypothesis – in the evaluation of near future events, alternatives composed of unpacked attractive features and packed unattractive features were preferred (simple effect: $p = .002$), whereas alternatives composed of packed attractive features and unpacked unattractive features were preferred in the evaluation of distant future events ($p = .049$). It suggests that unpacking a particular feature of an event – i.e., characterizing it in more fine-grained terms – increases the importance of that feature as a determinant of people’s preference for the event when the latter is to occur in the near future, but that the same unpacking reduces feature importance in preference for an event in the more distant future.

REFERENCES
Attaining Satisfaction
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EXTENDED ABSTRACT
Ample research suggests that happiness and wellbeing are comparative in nature. A diverse array of life’s events, from one’s performance on an exam, performance of an investment portfolio, or even choice of a significant other, are invariably subject to an evaluative judgment with affective and behavioral consequences. For uncertain outcomes, one forms expectancies and sets goals that reflect how desirable an outcome is, tempered by the desire to be accurate. The implicit belief is that by setting an “accurate goal,” one will attain satisfaction by achieving it. In this research, we ask whether satisfaction is attainable by simply meeting one’s expectation.

The well-known expectancy-disconfirmation model of satisfaction suggests that performance is compared to expectancies (or goals): when goals are met, satisfaction results, but when goals are not met, dissatisfaction results (Oliver 1980). Thus, the key criterion that drives consumer satisfaction is the comparison standard used to evaluate the outcome (Fournier and Mick 1999); Parasuraman, Zeithaml and Berry (1994). As Fournier and Mick (1999) point out, however, the judgment of satisfaction is likely to be more than the formulaic comparison of outcome to initial expectation. Rather, contextual factors could influence the comparison standard that is used. Thus, if consumers recruit a different standard of comparison than the goal, then performance relative to that standard will drive satisfaction. The critical question is the comparison standard that is spontaneously evoked when evaluating one’s performance. Does meeting one’s goals and expectations always ensure satisfaction? More specifically, does one always compare the outcome to one’s initial goal? If not the initial goal, what are the alternative comparison standards that might be used? Across two studies involving financial decisions and puzzle solving tasks, we investigate the multiple comparison standards that may be recruited to form satisfaction judgments.

In two studies using the domains of financial decision-making and puzzle solving, our research tests the idea that (a) people compare performance to highest potential and are therefore dissatisfied with poor performance; (b) people can reduce dissatisfaction if they are reminded to compare performance to the initially set goal, and (c) incremental theorists spontaneously compare performance to the initially set goal and are hence, satisfied regardless of level of performance.

The financial decision making experiment requires participants to set financial return goals and then construct a stock portfolio based on information about different stocks, followed by feedback about the performance of their portfolio. Similarly, in the puzzle solving experiment, participants set a performance goal, perform the puzzle-solving tasks, and then receive feedback on their performance. In both studies, by design we confirm participants’ goals, and provide three conditions of information at feedback: performance-only, performance plus potential, and performance plus goal. The question is whether all participants (who achieved their goals) are satisfied.

Across the two studies, we find consistent support to the prediction that people spontaneously recruit potential performance in order to evaluate their own performance. As a result, those who set their goals low were consistently less satisfied than those who set their goals high. Support for our process explanation that participants spontaneously compared performance to the potential performance comes from examining the means within each goal level in Study 1. In the low goals condition, satisfaction in the performance-only condition did not differ significantly from that in the performance-plus-potential condition (M_performance-only = 6.53 vs. M_performance-plus-potential = 6.98; NS), but was significantly lower than that in the performance-and-goal condition (M_performance-and-goal = 6.53 vs. M_performance-goal = 7.46; F(1, 71) = 5.38, p < .05). When only performance is presented at feedback, participants reacted as if they were also presented with the potential, suggesting that the potential performance was spontaneously recruited and used as the comparison standard. When the goal was provided at feedback, this goal was used as the comparison standard and resulted in greater satisfaction with low goals (and performance) in this performance-and-goal condition versus the other two conditions. Results of this experiment support the notion that dissatisfaction with lower performance can be offset by reminding people of their goals.

Study 2 tested the prediction that incremental beliefs in intelligence result in spontaneous comparison of performance to the initially set goal rather than the highest potential, off-setting the lower satisfaction resulting from low performance. Results supported our prediction, with a significant interaction between lay theory and goal level (F(1, 169)=9.44, p<.05). Satisfaction was greater under high (vs. low) goals in the entity theory condition (M_entity = 4.45 vs. M_entity = 6.40; F(1, 169) = 14.39, p<.001), suggesting that comparison is to the potential performance in this case. This difference is attenuated in the incremental theory condition, where we argue that comparison is to goals in the performance-only feedback condition (M_incre = 5.40 vs. M_entity = 5.89; F(1) = 1) but to potential when both performance and goal is made (M_incre = 4.45 vs. M_entity = 6.40; F(1, 169) = 14.39, p<.001). This is consistent with the results from previous experiments showing that the potential is used as the comparison standard when it is salient. In further support of our contention that incremental theorists spontaneously compare their performance to the goal rather than the potential, satisfaction is higher in the low goal condition when only performance is provided at feedback compared to the low goal condition when performance and potential are provided at feedback (M_performance-only = 5.40 vs. M_performance-plus-potential = 4.45; F(1,169)=3.41, p<.07).

REFERENCES

Asian Pacific Advances in Consumer Research
Volume 9 © 2011


Does Ambivalence Always Lead to Discomfort? A Self-Regulatory Perspective
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EXTENDED ABSTRACT
Attitudinal ambivalence is often viewed as an uncomfortable and aversive experience (Newby-Clark, McGregor, and Zanna 2002). This view, however, has mixed empirical support. The present research proposes a theoretical framework on ambivalence-induced discomfort based on the self-regulatory perspective (Carver and Scheier 1998). Specifically, we argue that attitudinal ambivalence is not necessarily uncomfortable. Rather, its affective consequences depend on how the activity of holding opposing evaluations about a single object is represented in relation to the goal being pursued. When it is represented as inhibitory to goal attainment, consumers will experience psychological discomfort due to the discrepancy between the ambivalent and the desired states. Otherwise, no discomfort will be induced by attitudinal ambivalence. We conducted two studies to test these propositions.

STUDY 1
Study 1 activated two chronic goals: contradiction-avoidance goal and contradiction-acceptance goal. We predict that attitudinal ambivalence will induce psychological discomfort when consumers are pursuing a contradiction-avoidance goal, and this effect will not occur under a contradiction-acceptance goal. In addition, goal commitment moderates the effect of goals on ambivalence-induced discomfort.

Method
The experiment took a 2 (goal) × 2 (goal commitment) between-subjects design. Specifically, contradiction-related goals were nonconsciously activated using proverb priming and goal commitment was measured and classified into two conditions using a median split. We recruited 102 students (35 males and 67 females) to participate in the experiment. Upon arrival, they were randomly assigned to one of the two ambivalence conditions. The experiment ostensibly contained two unrelated tasks. In the first task, participants were asked to read a Chinese proverb, which argues for either contradiction-avoidance or contradiction-acceptance in different conditions. Participants needed to rate its familiarity and comprehensibility, followed by the measure of goal commitment and manipulation check for goal activation. In the second task, participants were asked to read a fictitious consumer report, which provided ambivalent information on a new MP4 player. Participants then indicated their levels of psychological discomfort after reading, as well as their attitude toward the new product. After completing all questions, participants were debriefed. No one indicated any suspicion about the connection between the two tasks.

Results
ANOVA on psychological discomfort showed that the activated goals played a determining role in guiding participants’ affective reactions to attitudinal ambivalence. In the low-commitment condition, however, this effect was nonsignificant, $F(1, 54) = 1.46, p > .10$. Additionally, in the contradiction-avoidance condition, more committed participants experienced greater discomfort than the less committed (3.73 vs. 3.23, $p = .075$). These results provide initial evidence for the self-regulatory perspective on ambivalence-induced discomfort.

STUDY 2
Study 2 focuses on attitudinal ambivalence in choice situations. The effect of attitudinal ambivalence on psychological discomfort is predicted to be more profound for consumers with higher need for cognition (NFC), because they are more likely to engage in trade-offs in decision making and thus represent holding opposing evaluations of the alternatives as inhibitory to goal attainment. In addition, we predict that the inhibitory representation of attitudinal ambivalence mediates these effects.

Method
The experiment took a 2 (attitudinal ambivalence) × 2 (NFC) between-subjects design. Specifically, attitudinal ambivalence was manipulated using different ratings of the two alternatives in a choice task and NFC was measured and classified into two conditions using a median split. We recruited 88 students (23 males and 65 females) to participate in the experiment. Upon arrival, they were randomly assigned to one of the two ambivalence-related conditions. Participants were required to imagine that they were purchasing a new MP4 player and needed to make a choice between two alternative brands. The brands were then presented, compared along five major attributes. In the high-ambivalence condition, the two brands were equally attractive; while in the low-ambivalence condition, one brand was dominated by the other. Participants needed to read the results of the comparison carefully and answer several questions concerning the choice task as well as the feelings of psychological discomfort. Following that, they made a choice and reported their NFC (Cacioppo and Petty 1982).

Results
ANOVA on psychological discomfort revealed a significant interaction between attitudinal ambivalence and NFC, $F(1, 85) = 8.01, p < .01$. For participants with high NFC, attitudinal ambivalence had a positive impact on discomfort, $F(1, 38) = 15.98, p < .001$. However, this effect was nonsignificant for those with low NFC, $F(1, 47) = .48$, $p > .10$. Thus, the moderating effect of NFC was supported.

We next examined the mediating effect of inhibitory representation (Baron and Kenny 1986). Regression analyses suggested that attitudinal ambivalence ($\beta = .57$, $p < .001$) and its interaction with NFC ($\beta = .58$, $p < .05$) had significant effects on psychological discomfort. However, they became nonsignificant (both $p > .10$) after inhibitory representation was added to the regression model ($\beta = .641$, $p < .001$). These findings suggested that both the main and the interactive effects of attitudinal ambivalence on psychological discomfort were fully mediated by its
inhibitory representation in relation to the choice goal. As such, the self-regulatory perspective was further supported.

**CONCLUSIONS**

The present research focuses on the impact of attitudinal ambivalence on consumer affect and advances a self-regulatory perspective to understand the underlying mechanisms. We hypothesize that ambivalent consumers will experience psychological discomfort only when they represent the activity of holding opposing evaluations about a single object as inhibitory to their goal pursuits. Otherwise, no discomfort will be induced by attitudinal ambivalence. Two studies are conducted using different contexts and methods, and both of them support the self-regulatory perspective. This research challenges the conventional thinking on the unpleasantness of attitudinal ambivalence, and extends our knowledge on the interplay between goal, affect, and self-regulation in consumer behavior.

**REFERENCE**


EXTENDED ABSTRACT

A hybrid product allows the simultaneous attainment of several goals related to the key functionalities best served by the product categories in which it falls. That is, a hybrid product is characterized by multifinality, serving and satisfying more than one goal (Kruglanski et al. 2002). In addition, categorization ambiguity is an issue for hybrid products (Gregan-Paxton et al. 2005). Because a hybrid product can potentially fall into more than one category, individuals use either a single category or multiple categories to generate expectations and make inferences about the performance, features, and functions of the hybrid product when evaluating it (Gregan-Paxton et al. 2005; Moreau et al. 2001; Rajagopal and Burnkrant 2009). In other words, individuals evaluating hybrid products may engage in either single- or multiple-category inference.

Then, of particular interest is whether a consumer pursuing only one key focal goal will evaluate the same hybrid product differently based on the two different category inference strategies. Although previous studies have not addressed the differential impact of category inferencing on evaluations of hybrid products by consumers with active focal goals, prior research suggests certain predictions. Ample research on goals has suggested that activating a goal increases the preference for goal-relevant objects over goal-irrelevant objects (e.g., Brendel et al. 2003). However, according to the associative model of goals in the structure of goal systems advanced by Kruglanski and colleagues (2002), multifinal means in particular may be perceived as less effective or instrumental with regard to a specific goal (Shah and Kruglanski 2003; Zhang et al. 2007).

Building on the theory of goal systems, therefore, the current research examines whether single- (vs. multiple-) category inference will engender a relatively higher level of preference for a hybrid product if only one of the key focal goals that the hybrid product can satisfy is activated. Furthermore, this study explores whether evaluations of the hybrid product using single-category inference will reflect valuation and/or devaluation effects when the activated goal is one of key focal goals associated with the hybrid product.

Study 1 investigates the effect of single- vs. multiple-category inferencing on evaluations of a hybrid product when only one of the key focal goals that the hybrid product can satisfy is activated. This study follows the methodology established by Gregan-Paxton et al. (2005), manipulating the category inference for a hybrid product that falls into two product categories with which consumers have different levels of familiarity. An MP3 player and a handheld 3D gaming device were eventually selected to represent the high-familiarity (HF) and low-familiarity (LF) categories, respectively. The stimulus ads were created in the same manner as the ads in Gregan-Paxton et al.’s (2005) studies. The perceptual cue was a typical handheld 3D gaming device (or a typical MP3 player) when the conceptual cue was an MP3 player (or a handheld 3D gaming device). The baseline ad was made in the same way, except that the same HF (or LF) category was perceptually and conceptually cued. Overall, this study used a 2 x 2 (goal activation: no goal vs. goal relevant to the HF category) between-subjects design in addition to two additional baseline groups with no goal in which the product categories referred to by the perceptual and conceptual cues were consistent such that the hybrid product was represented as belonging to either the HF category or the LF category. As a part of a class requirement, 215 undergraduates at a large university participated in this study. Each was randomly assigned to one of six cells. In the goal-activation condition, the scenario introduced the goal. The scenario involved a college student who needed a product similar to an MP3 player. The participants’ task was to determine whether the stimulus product should be recommended to the college student. Their inferences with respect to the hybrid product (i.e., inferences regarding the functionalities of the MP3 player and the handheld 3D gaming device) were then measured using an eight-item, 7-point scale ranging from 1 (definitely unavailable) to 7 (definitely available) at the low end to 7 (definitely available) at the high end (Gregan-Paxton et al. 2005). Next, the participants were asked to evaluate the hybrid product using four 7-point bipolar items (bad-good, unfavorable-favorable, low-high quality, and useless-useful) and to report the likelihood that they would purchase the product on two 7-point Likert scale items. In Study 1, single- (vs. multiple-) category inference resulted in a more favorable evaluation of the hybrid product when the active focal goal was one that the hybrid product could facilitate.

Study 2 examines whether goal activation will lead a person to value and/or devalue a hybrid product under single-category inference when only one of the multiple key focal goals that the hybrid product might fulfill is activated. Using the same methodologies as in Study 1, we caused the participants to use single-category inference to evaluate a hybrid product belonging to two different high-familiarity product categories. An MP3 player (HF) and a digital camera (HF') were chosen as the high-familiarity products. Study 2 also used one-page print ads produced in the same manner as in Study 1. As required for a course, 306 undergraduates at a large university participated in this study. The study used a 3 x 2 (goal activation: no goal vs. HF category-relevant goal vs. HF' category-relevant goal) x 2 (single-category inference: HF category base vs. HF’ category base) between-subjects design and two additional baseline groups with no goal. Each of the participants was randomly assigned to one of eight experimental conditions. All of the procedures and measures were the same as those in Study 1. In Study 2, under single-category inference, there was a greater preference for the goal-relevant hybrid product than the goal-irrelevant hybrid product when a single focal goal was activated. Specifically, there was strong evidence for devaluation effects in this study; however, the evidence of valuation effects was not as reliable as in Brendel et al.’s (2003) studies.

REFERENCES


The Role of Regulatory Fit for Savings Behavior
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EXTENDED ABSTRACT

CONCEPTUALIZATION
This research contributes to the consumer behavior literature by approaching regular saving as a motivated action that reflects saving goals. By applying Regulatory Focus Theory (Higgins 1997) to savings and by using secondary data as well as a survey-based experimental approach, we formulated four hypotheses to (1) identify the relationship between type of savings goal (prevention or promotion) and regular savings behavior; (2) test the role of interactions of savings goal and saver orientation (prevention or promotion) on regular savings behavior; (3) quantify the influence of framing of savings messages (gain or loss) on attitudes toward saving; and (4) examine the interactions among savings goals, saver orientation, and savings-message framing on attitudes toward saving.

METHOD
To examine the first two hypotheses, which focus on the interaction of regular saving, type of savings goal, and saver orientation, data from the 2007 Survey of Consumer Finances were used. To add the role of savings-message framing to the analysis, Hypotheses 3 and 4, experimental survey data from an online panel were used.

MAJOR FINDINGS
Hypothesis 1 posited that promotion orientation would be negatively related to the likelihood of regular saving. Respondents' regulatory orientation was measured based upon their expectation of the economy, planning time horizon, level of risk taking, and propensity to spend when wealth increases. This hypothesis received mixed results. As expected, those who expected the economy to be better were less likely to be regular savers. Similarly, respondents who felt lucky with their financial affairs were less likely to be regular savers. However, respondents who were likely to spend money when their assets increased in value were more likely to be regular savers. Surprisingly, individuals with prevention orientation, who indicated the economy would get worse, were less likely to be regular savers. Respondents with a shorter planning time horizon were also less likely to be regular savers. Similarly, those who had low risk tolerance were less likely to be regular savers, compared to those with average risk tolerance.

Hypothesis 2 posited that respondents with promotion-related saving goals were more likely to be regular savers, when they were promotion-oriented. The interaction term between the likelihood of spending increased wealth and promotion saving goal was negative and significant. This means those who are more likely to spend increased wealth were less likely to save regularly when having promotion saving goals, contrary to the prediction deducted from theory.

With regard to prevention-related saving goals, those who expected the economy to be worse in the next five years were more likely to save regularly when they also had prevention saving goals. Also, those with shorter planning horizons were more likely to be regular savers when having prevention goals. This is in accordance with the prediction of the regulatory fit hypothesis, where there is enhanced performance when the regulatory orientation fits with the regulatory focus of the task (Shah, Higgins, and Friedman 1998; Spiegel, Grant-Pillow, and Higgins 2004). However, having both low risk tolerance level and prevention saving goals did not significantly affect the likelihood of saving regularly.

Hypothesis 3 posited that individuals presented with a gain (loss)-framed savings message will have a more positive attitude toward saving when the saving goals are promotion (prevention) focused and Hypothesis 4 posited that individuals presented with a promotion (prevention) saving goal are expected to have a more positive attitude toward saving when exhibiting promotion (prevention) orientation. Univariate analysis of variance of the experimental survey data showed that the nature of the savings goal (retirement or emergency) had a significant effect on one’s cognitive attitude toward saving. Respondents with a promotion-oriented personality significantly increased cognitive attitudes toward saving. Similarly, respondents with a prevention-oriented personality also exhibited increased cognitive attitudes toward saving. The interaction effects of savings goal, message frame, and individual regulatory orientation scores were non-significant.

Demographic factors were found to play a role in explaining attitudes toward saving. The results from the experimental survey study revealed that females had a more positive cognitive attitude toward savings compared to males. In addition, compared to White respondents, non-White respondents had a more positive affective attitude toward savings.

CONCLUSION
The decision to save involves complex thought-processing. This study explored the effect of promotion versus prevention on savings and attempted to determine the effect of each type of goal. Bagozzi and Warshaw (1990) addressed the role of self-regulation in goal-directed behavior. Goals imposed by an external source might affect attitude and behavior differently from goals set by an individual. This suggests the possibility that there may be a difference in the effectiveness of externally imposed goals and internal goals. It is possible that internal goals are more conducive to self-regulation. One would more likely engage in behaviors which are goal-consistent when they have a higher level of commitment to a goal. The desire to realize an internal goal might be mediated by one’s perceived ability, which could motivate a person to engage in goal-directed behavior. For example, Rabinovich and Webley (2007) noted that people who perceived expenditure control as easy were more likely to be successful in saving. This implies that there is association between perceived control and behavioral
outcome in savings. However, research that examines whether internal versus external goal setting is related to one’s perceived ability to save is limited. Future research is needed to investigate how the locus of goal setting influences saving behavior.

REFERENCES


As with social groups, the attribute generalization of brand extensions is more likely to emerge for high-entitative family brands. Perceivers make more extreme judgments and form more disproportional impressions on high-entitative groups (Hamilton and Sherman 1996; Sherman et al. 1999; Spencer-Rodgers et al. 2007). As a result, the multiplied perceived magnitude of brand extensions polarizes the quality of high-entitative family brands. Therefore, high- (vs. low-) entitative family brands are more extremely evaluated. This result yields asymmetric (or disproportionate) impacts of positive and negative extension information on family brand evaluations, which is likely mediated by the prior perceived entitativity of family brands. Hence, prior perceived entitativity of family brands mediates feedback extension effects on subsequent family brand evaluations.

**METHOD**

The first study involved eight experimental conditions with respondents randomly assigned to groups in a 2 (information valence: positive vs. negative) x 2 (categorical similarity: similar vs. dissimilar) x 2 (perceived entitativity: high vs. low) between-subjects factorial design. Participants were told that the purpose of study was to investigate consumers’ opinions about brands. In the beginning, they were asked to read the semantic information about XXX or YYY family brand carefully and evaluate the entitativity and the quality of XXX or YYY family brand. They were then requested to carefully read information about a newly launched extension and evaluate the brand extension with the identical measures of family brand attitudes. Finally, they re-evaluated XXX or YYY family brand immediately after the evaluation of new extension. In all, a total of two hundred and forty-three undergraduates participated in this study, including one hundred and twenty-five respondents in the main study and one hundred and eighteen respondents in pre-tests. The second study was similar to the first study, except intervening tasks were added to manipulate the low accessibility of brand extension information. A total of one hundred and ninety-four undergraduates participated in this research, including sixty-nine respondents in the pre-test of information accessibility and one hundred and twenty-five respondents in experiments.

**MAJOR FINDINGS AND CONCLUSIONS**

Research findings indicate that family brand entitativity mediates the feedback effects of brand extension on family brand evaluations under both high and low accessibility situations. In comparison, family brand entitativity yielded complete mediation under high accessibility situation, whereas partial mediation on feedback extension effects was observed under low accessibility situation. The impression about family brand entitativity is more salient when extension information is highly accessible, which leads to the result of complete mediation. In contrast, the impression about family brand entitativity is relatively ambiguous when extension information is lowly accessible, which yields partial mediation. In terms of family brand entitativity, the mediation effect of family brand entitativity is more salient for high (vs. low) perceived entitativity situations.
low) entitative family brands, regardless of the accessibility of extension information. The result supports the GLTT model, which suggests that group members of a high (vs. low) entitative group are more influential on the impression formation of groups. As underlying essences are expected for high (vs. low) entitative family brands, on-line processing of extension information is more salient and goes through the three stages of trait abstraction, stereotyping, and trait generalization, which yields more salient mediation effect of family brand entitativity.

The discussion of previous research in extension feedback effects focused on the categorical fit between brand extensions and their family brands and the accessibility and diagnosticity of brand extension information. This research moved a further step beyond these scopes and, as with group perception in social cognition, identified the perceived entitativity of family brands as a mediator of extension feedback effects.

REFERENCES
Range Effects on Vertical Brand Extensions
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EXTENDED ABSTRACT
Vertical line extensions, both step-up and step-down, are common occurrence in consumer products. For example, Timex recently launched its luxury high-end Valention line. On the other hand, many companies use downscale extensions to increase the overall sales volume. For instance, a number of luxury watch brands recently introduced watch collections with lower price points, like TAG Heur’s affordable watch the Aquacar Calibre 5.

Previous literature on vertical extensions has investigated how number of products in the line (Dacin and Smith 1994), the direction of the extension, brand concept (Kim, Lavack, and Smith 2001), and perceived risk (Lei, de Ruyter, and Wetzel 2008) affect extensions’ evaluation. Common to this literature is the use of models based on adaptation-level theory, which states that all relevant price information is integrated into a single prototype value and used in consumer judgments of price (Helson 1947; Mazumdar, Raj, and Sinha 2005).

In the current research we argue that, while adaptation-level theory can be viewed as a useful simplification to understanding consumers’ evaluations, it misses out important contextual influences caused by a brand’s price range. Drawing on research on range-frequency theory (Mellers and Cooke 1994; Parducci 1965) we investigate the effects of price point distance and parent brand’s price range on evaluations of vertical extensions. Our reasoning leads to two important predictions that we test in a series of three experiments.

First, we argue that price distance has an asymmetric effect of extension evaluation. We propose that for upward extensions, evaluations decrease as price distance increases. In other words, a new product that is a little more expensive than a product that is considerably more expensive leads to evaluations of downward extensions being lower than evaluations of upward extensions. This leads to the counter-intuitive proposition that a brand that only manufactures high-end products may have more difficulty introducing an upward extension than one that has a broader positioning manufacturing mid and high-end products. Consistent with our first proposition, range size affects upward extensions, but not downward.

Experiment 1 was an online study that tested our predictions that price distance is impactful in high risk situations, namely upscale extensions, but not on low risk scenarios, namely downscale extensions. Participants read a brief scenario describing either two car manufacturers introducing a step-down extension, or two car manufacturers introducing a step-up extension. Upon reading the scenarios, respondents were asked to evaluate companies’ price positions and relative risk perceptions on seven-point scales adapted from Kaplan, Szybillo, and Jacoby (1974). We found that evidence that there is a difference between upward and downward vertical extension risk perception. We also found that for upscale extensions, the bigger the distance between the parent brand and its extension, the bigger the risk perceived by the consumer. On the other hand, when extending downwards, consumers’ perception of risk of the extension is the same regardless of its price point distance of the parent brand.

Study 2 was conducted to test the hypothesis that vertical extension evaluations are dependent on the price range size of the parent brand and not on average price. Participants read a brief scenario providing a brief description of the core brand and its extension and price information. Next, respondents assessed their perceptions regarding the price information of the parent brand and then they evaluated the extension favorability and willingness to buy. This experiment supports the predicted effect of price range width on evaluations of vertical extensions such that, evaluations of step-up extensions are more favorable in wide versus narrow condition. On the other hand, we did not find any significant difference between wide and narrow price ranges in evaluations of step-down extensions. Our manipulation of range keeping the average fixed was important to contrast range-frequency theory to adaptation-level theory, however, it allowed room for a potential alternative explanation. Therefore, experiment 3 was designed to rule out this alternative explanation providing stronger evidence for our predictions.

Study 3 was aimed to test the robustness of the findings of experiment 2 by using a different manipulation of parent brand’s price range. While in experiment 2, average prices were kept constant. In experiment 3, we manipulate the parent brand’s price range in a way that step-up extensions of narrow price ranges have higher price averages, leading to a more stringent test of our predictions. We found only stronger support for our predictions. As hypothesized, evaluations of step-up extensions are more favorable in wide versus narrow condition even when the narrow condition has a higher price average. We also replicate results of the previous experiment for step-down extensions such that no significant difference was found between wide and narrow conditions. Finally, our results reveal that participants do perceive price point distance to be relative in step-up conditions and that individuals rely on the parent brand’s price range and not on its end-prices to make evaluations of the extension.

The three studies presented provide strong evidence that evaluations of step-up extensions are affected by the parent brand’s price range and that the effect of price point distance is influenced by perceived risk associated with the extension. First, we argue that price distance has an asymmetric effect of extension evaluation. Secondly, we have not only shown that extension distance is not relative on the parent brand’s
average price but also that the parent brand’s price range has a much stronger effect on evaluations of upscale extensions than the parent brand’s average.

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Effects of Alphanumeric Brand Names: A Selective Anchoring Perspective
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EXTENDED ABSTRACT
Many brand (product) names contain numbers, such as Airbus A330, 7-UP, Coke Zero, and Miss Sixty. In the present research, we are particularly interested in understanding how numbers contained in brand names affect consumer judgments. Our central notion is that numbers contained in brand names would be utilized by consumers as an anchor of a variety of product attributes such as price, weight, volume, etc. Such anchoring, however, only occurs when the number is relevant (i.e., making sense) to that attribute, and when consumers are making judgments on the basis of heuristics.

THEORETICAL BACKGROUND
We propose that consumers may proactively associate alphanumeric brand names with certain product-related information, regardless of their original meanings. That is, consumers use alphanumeric brand names as self-generated anchors to infer unknown product attributes. For example, consumers may think that Airbus A330 roughly has 330 seats, even though the name A330 has little to do with number of seats. This anchoring effect won’t always occur, however. There are at least two conditions to be met. First, consumers must perceive the alphanumeric brand names as relevant to certain product attributes. In the Airbus A330 example, “330” is relevant to number of seat, but is of little relationship with price and some other aspects. The second boundary condition is that consumers rely on a less effortful, heuristic processing mode, rather than engaging in a systematic processing style. It has been reliably established that anchoring effect is more pronounced when cognitive resources are constrained (e.g., time pressure, distraction, etc.).

EXPERIMENTS
Four studies were conducted to examine this hypothesis and its boundary conditions. The purpose of study 1 is to demonstrate the effect, showing that participants’ judgments were indeed affected by alphanumeric brand (product) names. We asked participants to estimate the number of seats in an aircraft. The brand name of the aircraft was manipulated as either Boeing 767 or Airbus A330. Consistent with our hypothesis, results show that participants believed that Boeing 767 has more seats than Airbus A330, and such difference is significant.

The purpose of experiment 2 is to replicate previous results in a different product domain. Specifically, two famous soft drink brands, Sprite and 7-UP were selected. We predict that participants might associate “7” with the price of 7-UP (note: a can of Sprite and 7-UP is typically sold at $5 HKD in Hong Kong where the experiment was conducted). All participants were asked to estimate the price, volume, history, calories, and number of vitamins of either Sprite or 7-UP. They were also asked to guess the average weekly consumption (i.e., how many cans a person consume per week), and to rate its tastiness (0 = not at all; 9 = very good), Consistent with our prediction, results show that participants’ estimated price of 7-UP is closer to $7, than the estimate of Sprite. However, we did not obtain any significant difference for other estimates.

In experiment 3, we asked participants to estimate the price of an MP3 player while manipulating the brand names (M-200 vs. M-900). We propose that “200” and “900” are relevant to the price of an MP3 player, and therefore, participants’ estimate would be higher in the M-900 condition than those in the M-200 condition. Second, we manipulated judgmental style to examine the boundary condition of this selective anchoring effect. We predict that the hypothesized anchoring effect would be more pronounced when consumers don’t have sufficient cognitive resources or are not motivated to make the focal judgment. As anticipated, results of a two-way ANOVA on price estimate revealed a significant interaction effect: the anchoring effect of numeric brand name was less likely when participants were asked to evaluate each product attribute first before estimating the price, than when participants estimated the price before analyzing each attribute.

Experiment 4 replicated experiment 3 via operationalizing processing mode in a different way. That is, we manipulated participants’ processing mode by putting participants in either high or low cognitive load conditions. Consistent with our predictions, results of a 2-way ANOVA on price estimation revealed a significant two-way interaction: when participants were put under high cognitive load, their estimated price of the MP3 player was significantly biased by the brand names; when participants had sufficient cognitive resources (i.e., low cognitive load conditions), brand names had little effect.

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A Preliminary Study to Identify the Differences between Possible Joiners and Non-Joiners of Online Communities

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EXTENDED ABSTRACT
It has been suggested that online community participation is essential for the formation and development of an online community (Casalo, Flavian and Guinaliu, 2007; Rothaermel and Sugiyama, 2001) in order to guarantee its long-term sustainability (Koh and Kim, 2003). It seems that previous research on online community participation has paid close attention to the promotion of the contributions of existing participants (e.g. Ma and Agarwal, 2007; Wasko and Faraj, 2005; Wiertz and Ruyter 2007). However, new membership acquisition (i.e. converting first-time visitors into members) is a considerable issue during the initial stage of online community cultivation. This is particularly so when, nowadays, most community platforms allow all visitors to browse the messages freely (although only registered members can post or reply to messages). Consequently, a visitor might be silent and seem to be invisible but will still take advantage of the resources available on the platform, without anyone noticing. Indeed, this scenario becomes a worry for the community platform providers because aggregated user information helps to attract advertising income to support the platform’s sustainability and is also valuable for helping the provider understand user behaviour and improve services. In such a context, this research aims, primarily, to recognise the influence of some possible predictors of online community participation and, in particular, examines whether their influence is a significant discriminant for possible joiners and non-joiners.

THEORETICAL BACKGROUND
From a user perspective, joining an online community is quite different from joining a real world community because the physical cues from face-to-face communication are unavailable (e.g. Jang et al. 2008; Nambisan and Nambisan, 2008). Therefore, firstly, we argue that a user’s joining intentions may be strongly influenced by any of a number of available cues in that environment. By applying and extending the typology of Baker et al. (2002) in this study, our proposed cues include design cues and social cues, as well as individual effects and personal traits on joining intentions. Regarding the responses to those cues, Mehrabian and Russell’s (1974) model (M-R model) suggests that an individual’s exposure to environmental stimuli will result in either “approach” or “avoidance” behaviour. Approach behaviour involves the desire to remain in and explore the environment and includes the willingness to communicate with others in that environment, and vice versa (Eroglu, Machleit, and Davis, 2001; Morrin and Ratneshwar, 2000). Thus, we further suggest that the different outcomes of first-time visits to an online community lead to groupings of those ‘willing to join’ (i.e. exhibiting approach tendency) and those ‘not willing to join’ (i.e. exhibiting avoidance tendency).

RESEARCH QUESTIONS
To explore the possible determinants in online community contexts which distinguish these two groups, we answer the following three research questions by using discriminant analysis: (a) Among the available cues in an online community, what are good discriminators between ‘willing to join’ (joiners) and ‘not willing to join’ (non-joiners)? (b) How well do these predictors discriminate between the two groups? and (c) What decision rule should be used for classifying future potential participants into the two groups?

SAMPLE AND DATA COLLECTION
A sample of 218 respondents, from various mobile, food, gaming and travel online community platforms (Taiwan-based user-centric communities, rather than firm-hosted brand communities), was collected through an online instrument. Respondents were provided with nine online community platforms and asked to choose one which was closest to their own interests but that they had never visited before (Chen and Barnes, 2007). After the first visit to the newly selected website, each respondent was asked to evaluate his/her intentions to register as a member. Excluding invalid responses, 434 (out of 2000) completed questionnaires were received (21.7%). However, in order to maintain a similar number of respondents in each analysed online community, we chose the respondents from four of the nine communities, which resulted in 218 samples being used in the discriminant analysis.

RESULTS AND CONCLUSIONS
To assess the relative importance of these dimensions/factors and their predictability of joining intentions for an unfamiliar online community, a discriminant analysis was performed with joining intentions as the discriminant variable. In addition, design cues (i.e. perceived site quality and informativeness), social cues (i.e. member similarity and community involvement), attitude (i.e. enjoyment, initial trust in platforms and initial trust in members) and personal traits (i.e. personal innovativeness and propensity to trust) were analysed too. The potential participants were then classified into two groups by differentiating the responses into ‘greater than’ or ‘less than’ the median score of the joining intentions (Ranganathan and Ganapathy 2002).

Firstly, we identified the good discriminators between the groups of joiners and non-joiners in each online community platform. The results show that our proposed nine discriminant predictors are able to significantly differentiate between the two groups in the mobile, food and gaming communities but not in the travel community. Among the nine discriminant predictors, informativeness and community involvement are the most crucial discriminators as they are...
both significant discriminators in all three types of online community platforms. This confirms the previous research on online community participation; users join an online community, primarily, to gather information (usability) and gain timely communication with others (sociability) (e.g. Preece, 2001). However, our results also reveal different emphases within different types of online communities.

Specifically, informativeness is the best discriminator in both the food and gaming communities, where initial trust in members is the main one for the mobile community. In both the food and gaming communities selected in this study, the participants shared their personal experiences on food and playing games. Consequently, informativeness is shown to be the most outstanding discriminator between joiners and non-jokers, particularly for the food community where its significance is nearly double that of the second discriminator, enjoyment. It is worth noting that in the gaming community, the members discuss gaming strategies rather than actually play the games. This may explain why enjoyment was not ranked as the main concern for their joining intentions, as previous studies have suggested (e.g. Hsu and Lu, 2004). However, perceived site quality was still the second most important predictor (with only a slightly difference), probably because gamers are generally more sensitive to site quality. Regarding the mobile community, due to the need for a relatively professional knowledge of mobiles, computers and electronics, initial trust in members becomes the main discriminator for the possible joiners and non-jokers. Participants in a mobile community may seek timely feedback from other members (e.g. to solve their existing problems) so community involvement is seen to be the second discriminator. Accordingly, online community managers may like to enhance the distinctive predictors in potential participants’ perceptions, particularly during their first-time visits.

In addition, we examined the effectiveness of the discriminant functions for each community. Among them, the function for the food community has the highest accuracy (83.9% of cases) followed by 80.9% for the mobile and 73.8% for the gaming communities. As they are all much higher than 50% (random classification), we suggest that our proposed discriminant functions are effective, to some extent. Lastly, we present the classification functions which will help us classify future potential participants (those first-time visitors) into possible joiners and non-jokers. With the support of both discriminant and classification functions, online community managers are able to evaluate the effectiveness of their online community design, which is particularly important in recruiting new members in a developing online community.

Finally, several limitations should be noted. First, this study is cross-sectional and we cannot attribute causality to relationships among those predictors and joining intentions. We suggest that longitudinal data be considered for any future research. Secondly, since discriminant analysis is a post hoc tool, it may be useful to have a follow-up survey to test the accuracy of our proposed discriminant functions. Thirdly, we only tested a few categories of online community in the same regional area. Consequently, online communities in additional categories and different cultures may be considered for generalising or comparing the current results in various contexts.

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Consumption and Religious Community: A New Interpretation and Representation of Religious Moralism in Consumption

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ABSTRACT

This paper explores to what extent consumerism influences the representation and moral structure of religious community. Following the hermeneutic approach, this interpretative research investigates how a group of young Christians in Hong Kong makes sense of their personal and collective religious experiences and how these experiences structure the construction of an imagined community through symbolic consumption. This entire study aims to enrich current understanding of the interrelationship between consumption and religious community formation.

INTRODUCTION

Over the past decade, consumer researchers have been interested in understanding the interrelationship between consumption and community formation. The relevance of this communal approach to consumption can be attested by an abundance of literatures including studies on brand community and consumer tribes (Cova and Cova 2002; Cova and Pace 2006; Kozinets 2001; Luedicke, Giesler and Thompson 2010; Muñiz and O’Guinn 2001; Muñiz and Schau 2005). These studies have provided much insight in defining the characteristics for consumer groupings centered at a brand or a market symbol. However, not many researches focus on how marketers can also draw insights from other forms of community (e.g. political community, religion) and to what extent do these communities are influenced by consumerism with a new interpretation and representation.

Among different social communities on earth, religion is one of the most enduring social creations. Muñiz and Schau (2005) stress the importance of understanding consumers and their consumption from a religious perspective as ‘religiously infused narratives help us make sense of the people, institutions and things in our lives, including those found in market place’ (p. 737). Religion endures not only because of the secularization process allows itself to be more adaptable in consumer-centered world (Belk, Wallendorf and Sherry 1989; O’Guinn and Belk 1989), but also what religion offers is a sense of community that is fundamental to human existence (Muñiz and Schau 2005). Despite the substratum of religiosity is often drew to understand consumer behavior and the structure of a community (Belk, Wallendorf and Sherry 1989; Muñiz and Schau 2005; Wilk, Burnett and Howell 1986), marketing literatures have rarely discussed the topic by researching religious community (Bonsu and Belk 2003). This article seeks to address this absence.

Through an in-depth analysis of a religious community in one of the cosmopolitan cities in Asia, the research aims to extend our current understanding of the interrelationship between consumption and community formation, especially on how consumerism influences the religious moral value system of these communities. With a prolonged period of researchers’ participations in church activities and a close relationship formed with the informants, a hermeneutic framework can be adopted to interpret religious consumers’ stories and to reveal ‘plurality of consumer meaning-based relationships’ in their consumption and religious practices (Thompson 1997, p.439). The discussion follows Muñiz and O’Guinn’s (2001) identification of the three core elements in a community to provide a deeper understanding of how consumption and market logic influence religious community in their collective beliefs and practices, and hence, enriching our current understanding between consumption and community.

THEORETICAL FOUNDATION

Religion as a Community

Religion is one of the largest and most enduring communities of human kind. As a key construct in the history of human society, sociologists assert that religion is a collective representation expressing collective realities, where individuals unite themselves with a common belief and practices (Durkheim [1915]1995). Religion shapes every aspect of the followers’ daily life, and has been extended to influence their consumption behavior (Essoo and Dibb 2004). Through embracing certain values and fulfilling some religious moral standards, discipline and responsibilities, religious orientation defines a person’s identity and social location (Wilk, Burnett and Howell 1986). Thus, this collective experience provides a structure of ‘reality’ for both individual and community as a ‘forum of idealization’ (Howell 2003). The social solidarity of religious community is hence sustained by notions of imagined and understood others, which Anderson (1983) conceptualize as ‘imagined community’.

In the wake of consumer culture and a return of the emphasis of a sense of community (Cova 1997; Maffesoli, 1996), religion has a new representation. The secularization of religion allows itself to undergo different attempts to accommodate scientific and social realities to adapt to the consumer-centered world (Eller, 2007, Muñiz and Schau 2005). In particular to the Christianity denominations, religion is being marketed, or even branded, with commercial products and services and appears in various mass media channels (Detweiler and Taylor 2003; Jones 2003; McDannell 1995).

Religious communities have become less institutional, but more emphasis on social link and support with a sort of faith that without strict dogma. Christian community, appears similar to other postmodern consumer tribes, are bonded emotionally and symbolically with shared emotions, lifestyles, moral beliefs or senses of justices, and consumption practices (Cova 1997). Superficially, religious solidarity and the importance of religious imagery and rituals, as key constructs in Christian theology (Bonhoeffer, 1998), get re-emphasized but appear with a profane manifestation (Cova 1997). Since religious consumers can sacralize and desacralize dimensions of their experiences, religious meanings can also be drifted through consumption (Belk, Wallendorf and Sherry 1989). Religion has been turned into a lifestyle choice (Greene 2000), in which consumption helps...
fostering different modes of social links for individual followers to structure a sense of meaning of human existence and a shared imagination of a religious moral community called church.

Despite the structure of community becomes fragmented and loose, Muñiz and O’Guinn’s (2001) provide vital sources in defining the core commonalities. The three core markers include a shared consciousness, rituals and traditions, and a sense of moral responsibilities. Consciousness of kind is the fundamental element that refers to a strong collective sense of feeling within the community while maintaining a sense of difference from others who are not (Weber [1922]1978). Rituals and traditions are the second element as religious meanings and myth are drifted within social group that keeps the community perpetuating with a shared history, culture and consciousness (Durkheim [1915]1965). Lastly, a sense of moral responsibility refers to a ‘felt sense of duty or obligation’ to both the group and individual members, which leading to a main force in collective action (Muñiz and O’Guinn 2001). This identification would be useful to discuss how consumption subsequently facilitates in changing the representations of the core markers of religious communities.

Losing Sacredness? Shifting of Religious Moralism in Consumption

In particular to evangelical Christianity, religion is transforming itself from a traditional institution to a modern, emotional community with all sorts of elements borrowed from the popular culture (Detweiler and Taylor. 2003). Religion has lost one of the fundamental concepts in its appearance – the distinction of sacred and the profane (Belk, Wallendorf and Sherry 1989; Durkheim [1915]1995). In their study of Heritage Village in the United States, O’Guinn and Belk (1989) identified that the contemporary culture is experiencing a blurring of sacred and profane distinction.

Maintaining a distinction of sacred and profane is originally important in religion as it helps structuring the followers’ social lives that they should live with the sacred, and set apart from the ordinary, secular world (Belk, Wallendorf and Sherry 1989). Although religion has lost a sense of sacredness in its representation in the course of secularization, O’Guinn and Belk (1989) address the key for religion community to endure is the ability to adapt to changing human wants and conditions, especially on how religion accommodates and reconciles even seemingly irreconcilable belief structures with a new interpretation of religious moral value system about consumption. This implies that consumerism does not only superficially affect the representation of religious community, but also it has been internalized at the core of the moral system of a collective religious belief.

The discussion of moralism about consumption is thus relevant to our discussion of community and consumption. It should be addressed that moral system is not limited to religion. However, religious value indeed penetrates the modern day moral system through education, social norms, and family structure. In Luedicke, Thompson and Giesler’s (2010) discussion on morality in consumption, the scholars reveal that ‘community members draw a myriad of moralistic distinctions’ in order to achieve multitude of identity goal in both personal and collective sense. These including ‘constructing and maintaining class based hierarchies of taste’, ‘defining groups boundaries and enhancing group commitment’, and ‘protecting valued ideal shared within the community’ (p. 1017). This implies that religious members may develop their own defined set of religious moral standards and values that distinct from others who do not. The shared common value about consumption can provide moral boundaries for the religious community to construct their ‘religious reality’ through consumption, while members would adhere to its virtuous principles and defend the entire moral system. Religion, as a resource, constitute to consumers’ identity projects as well as a moral standard that discipline the followers’ everyday consumption behavior. However, to what extent does consumerism influence religious community with a reinterpretation of religious moral value toward consumption? Is there a collective process, instead of an individual process, where group identity and behaviors are outcome of the market and social interaction? The paper strives to provide more understanding of community behavior and their consumption in this perspective.

METHODOLOGY

Research Questions and Hermeneutic Approach

This interpretative study adopts a hermeneutic approach to investigate the consumption behavior of a group of young Christians from a Baptist Church in Hong Kong. The research aims to examine the intersection between religion and consumerism that has led to a reinterpretation of moral value toward consumption. We are also interested in identifying how religious followers internalize this reinterpretation about religious moral consumption in their beliefs with others in church community and that group identity and behavior are the outcome of the market and social interaction.

Through interpreting the stories religious consumers tell about their consumption experiences in relation to their beliefs, the hermeneutic approach would be useful to review how followers personalized their consumption meanings as Thompson (1997) stated it expresses ‘a co-constituting (or dialectical) relationship between the social condition and identity issue’ (p. 441). This reveals how followers rework their religious identity in their consumption inside and outside religious community under the shaping of both religious and market-oriented ideologies. To facilitate the interpretation of these stories, the researchers have been actively participated in the Baptist church community for years and have been involving in bible schooling and theology seminars. In addition, the researchers have known the research informants for years that allow a deep understanding and usage of religious language in Baptist sect for interpretation and analysis.

The Selection of Christian Community and Research Informants

Protestant Christianity shares a significant portion of local religious population. Over 478 thousands of people officially register as church members in 1,250 Chinese-speaking churches in Hong Kong (Research Group on 2009 Hong Kong Church Survey 2010). Christianity is not only as a religion, but the church community actively involves peoples’ everyday life through education system, social services and community caring program. There are over 500
schools run by Christian community where the students are required to study bible knowledge and to understand Christian beliefs in the curriculum plan (Wu and Fok 2006). Over 60 percent of local churches offer various kinds of social services including elderly home, schools and community centers, etc (Research Group on 2009 Hong Kong Church Survey 2010). In particular to the discussion of the influence of consumerism on religion in Hong Kong, Christian segment is being marketed with the excitement of popular culture, in which the phenomenon receives an intense discussion among local theologists and spiritual leaders in recent years (Lok 2002). Churches nowadays adopt different media channels like advertising, TV, and other commercial propaganda as measures for their evangelical events. Apart from conventional worship, talk shows and contemporary music have been used as the element in the worship. Growing numbers of Christian artists and celebrities declare their devotion to the Christ in public arena and enthusiastically participating in revival meeting. Various types of Christian-related merchandises are available in the market. The changing dynamics found in local Christian sector hence demonstrates how consumerism affects religious moral consumption values.

A friendship group of young Christians were in their 20s and came from a Baptist church was purposively recruited and became main research informants. Since most of the informants are at the transitory stage of life from youngsters to adults, they are the best subjects to explore the relationships between identity and symbolic consumption because they are in the important period of creating self and group identities (Kjeldgaard and Askegaard 2006; Wattanasuwan and Elliott 1999).

In order to demonstrate that the informants shared similar religiosity level and were very familiar with Christian faith and lives in the Baptist sect, all key informants were baptized and had been devoting themselves in church services for more than five years. They had spent most of their leisure time together in performing religious activities and having sharing and prayers in fellowship. Apart from researching the youngsters in church, church leaders were also important figures in Christian community to guide the followers’ morality. Three spiritual leaders including a pastor of the church were also invited to consult their opinions towards Christian consumption in their church from a biblical perspective. A profile of the main informants (pseudonym) is presented in Table 1.

### Data Collection

A naturalistic mode of inquiry was adopted in the entire research in order to capture the in-depth accounts of personalized meaning in the context of the religious youngsters’ everyday consumption. In-depth interviews and observation (both participated and non-participated) were the major data collection instruments for this research.

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<th>Gender</th>
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<tr>
<td>Kit</td>
<td>M</td>
<td>28</td>
<td>IT Technician</td>
<td>Yes</td>
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<td>Mandy</td>
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<td>22</td>
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<td>Mic</td>
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<td>25</td>
<td>Administrator</td>
<td>Yes</td>
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<td>Adrian</td>
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<td>Tristan</td>
<td>M</td>
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The observations were conducted in the most natural setting possible for more than 6 months, about 8 hours a week. The researcher participated in their religious activities including worship, fellowship and social gatherings. As suggested by Wattanasuwan and Elliott (1999), this allowed the researcher to observe ‘a situated appreciation of the symbolic meanings of the informants’ behavioral signification, as well as to understand the group’s interaction process, especially how the group’s shared meanings influence its members’ consumption choices’. This facilitated a deep understanding of social interaction within the religious group and how they perceive and rework the moralism about consumption in a collective, religious appropriated manner.

Individual interviews, each around 2 hours, were done at home or in church. A phenomenological approach (Thompson, Locander and Pollio 1989) was employed that both the lived experiences of individuals and the constructed reality of symbolic meaning can be studied through the use of long interviews (Wattanasuwan and Elliott 1999). All interviews were audio-recorded and photographs were taken whenever possible. The long interviews were loosely structured, nondirective and designed in the life-history approach, which allowed the researchers to understand the informants’ entire’s life. The informants, in response, could describe and express their experience, thoughts and feelings to reflect how they see and experience the world they constructed (McCracken, 1998). In particular to Christians’ life history, their religious experiences were remarkable in their lives as these experience helps constructing a personalized meaning of life and an imagination of a shared collective sense of community under particular system of morality.

### DISCUSSIONS AND FINDINGS

For individual to exist, ‘other’ must necessarily be there. (Bonhoeffer 1998, 51)

Consciousness of a Kind: Emotion and Support as Key, Consumption as Link

Emotional and support as key. Church community was seen as an important and inseparable part of the religious life among all Christian informants. Being grouped in one particular fellowship for years, the informants knew each other very well. The youngsters came to church constantly every week and spent their whole weekends participating in various kinds of church services and activities. Fellowship was one of the remarkable religious experiences that shared among the informants. This emotional, spiritual group allowed members to gain a sense of community, where they could find a constant and collective support during the journey of a religious life. The informants had regular meeting for around three hours every week. They had some deep sharing, discussions and prayers about their
happiness or difficulties faced in their lives. Some of the sharing was relevant to their daily religious experiences, while they would also share ordinary life in school, family and work. They shared laughter and tears together when ones felt up or down in their lives.

Brian: There is nothing special in church activities. However, there are always some people who will share with you when you are happy, and support you when you are sad. This is what I have experienced in church...It is impossible to achieve it (to be a virtuous Christian) by myself because my ability is limited. To me, I will pray and practice throughout my life in church fellowship. This helps nurturing me towards the goal.

The power of fellowship not only provided a spiritual environment for members to pursue their common goal of becoming a virtuous Christian, but also it was both a physical and emotional bond where members were not alienated from each other. This emotional bond did not solely lie on social relationship, but the members were often reminded to have patience, love and care to each other based on the teaching in the Scriptures (1 John 4:19). Fellowship served as a manifestation of trinity and expression of Jesus’ love on earth (Bonhoeffer 1998), this became a consciousness of kind that the followers imagined their close relationship was a way representing Kingdom of God on earth. Apart from providing a collective sense, fellowship also sustained and supported individuals in their religious identity project construction with others shared similar faith and vision in Christ.

Consumption fosters social links. If the emotional fellowship constitutes to a lived experience for members to construct a collective sense of religious reality (Thompson 1990), the re-interpretation of a religious moral consumption can be used to mediated and foster different social links that exist inside, outside or even extending the imagined of religious community (Cova 1997).

Living in a cosmopolitan city, local Christians were surrounded by different modes of entertainments and their religious lives were largely shaped by the prevailing market logic - consumerism (Mathews and Lui 2001). Superficially, the informants seem did not show any distinction from ordinary secular world in their daily consumption. Similar to other youngsters in Hong Kong, the way informants spent their leisure time was limited to either actual act of consumption or exchanging consumption-related information during social gathering (Chan 2001).

Brian and Rachel were keen on purchasing latest Japanese fashion. Kit kept an eye on those up-to-date electronic devices. Basketball fan Adrian and Brian possessed a lot of sport gears. Mic admired western brand labels, while Mandy loved collecting books and fictions. Apart from personal possession, the informants spent their leisure time together in all sort of entertainments outside church. They exchanged shopping experiences or consumption related-information during church gathering.

Mandy: I will go to sing ‘karaoke’ with my friends in church. Afterwards, we will go shopping together, hanging around to see anything to buy.

Mic: I like shopping, watching films, having meals, buying things and chatting with friends.

Consumerism had heavily shaped the way local Christians interpreting the religious moralism about consumption in the way that the informants did not concern to disengage from the material world or restraining their daily consumption. In view of their consumption attitudes, it implied a blurring of the sacred and profane within religious standard of consumption moralism. The informants provided two specific reasons why they found consumption as something ordinary and inescapable from religious life.

The first reason was that the informants believed that what they were enjoying was the gift from God and they were allowed to spend as long as they could afford that. This re-interpretation of morality about religious consumption is shared among all the informants as a collective consciousness.

Brian: I will give up everything I had if there was a calling from God because I knew that all the things I got right now are given by Him.

Mic: Instead of escaping from the material stuff and not trying out new things, I think that all these are the God’s creations for us. I don’t see a problem in life enjoyment.

The second factor was that consumption helping facilitating social networking inside and outside the community. Within the religious community, the informants often shared their consumption experience and discussed the latest market trend. They would also seek others’ advice before an actual act of buying. Tristan, one of the informants, claimed that seeking others’ advice would help him rationalizing his consumption choice that was religious acceptable and appropriate. However, not every Christian was as rational as Tristan. In particular to group purchasing, discount and sale promotion often stimulated group members to buy together since these informants were often convinced and gained ‘approval’ of trustable religious members in the community. During the course of research, we had a chance observing how Mandy spent around $1000 on clothing with other members in a particular sales promotion.

Consumption not only cemented relationship within Christian group, but it also helped fostering linkages with people outside the religious community.

Mandy: Consumption is something normal! If people who do not involve, they are distinct from others! That is not preferable. No matter you are Christians or not, you need to consume...I think it is fine for Christians to consume in our social activities because it helps us maintaining relationships with others, both Christians and non-Christians. However, we should not violate the core of our religion.
Due to their religious identity, the informants were emotionally alienated with non-Christian community. The loss of emotional social tie was not preferable among the youngsters as they were at the age of creating both personal and collective identities, while peer recognition was important (Wattanasuwan and Elliott 1999). However, this emotional loss could be compensated through sharing a similar consumption pattern with those who did not have a religious background. Consumption hence diminished in-group/out-group distinction and appropriated themselves in their different social group and position.

Extending the imagined community. All the informants did possess a lot of religious related goods and services, including bibles, accessories, home decorations, books, CDs, scores of worship songs, cards and attending various worship training courses and theological seminars. The informants admitted that they consumed these products and services not only for the purpose of maintaining a close relationship with God, but also they found themselves symbolically supporting Christian ministry on earth.

Mandy: Whenever I buy Christian products, I find myself supporting the ministry of God on earth. I may not will to use same price for non-Christian’s product.”

Kit: I think The Worshippers (a local musical ministry) is poor (in their financial situation). I don’t know much about the other ministry parties. However, I think the local music ministry is poor.”

Christian products and services not only helped nurturing individuals to become a virtuous Christian in their religious identity construction project, but also they often signified as symbols of Christian evangelical ministry. These products were emotionalized as supporting ‘God’s work on earth’, and became something sacred. Thus, the followers bought them with little rational connection but a powerful religious emotion (Elliott 1998). The informants believed that they were also contributing to spread the Kingdom of God on earth through consuming these religious products and services. This worked in line with Anderson’s (1983) concept of imagined community as the believers transcended their emotions in religious consumption to sustain an imagined collective meta-community where exist outside their social environment - an imagination of to be a part of God’s family in the world.

Rituals and Tradition: Consuming Religious Experience

Consumption culture had modified the core value and representation of religious rituals and tradition. With enormous amount of Christian products and services available in the market, Christians nowadays were allowed to choose and possess these religious symbols in order to enrich their spiritual experiences with God.

In response to the current consumer-driven market ideology, the church also strived to provide a ‘quality religious experience’ to meet the current needs of the followers. The worship environment and procedures were optimized not only for the purpose of praising the LORD, but also to enrich religious experiences of the followers. To cater different ‘tastes’ among church comers, the church provided more options for members to choose. More Sunday school programs were now available. Two separate worship services were run by the church with one conventional in its format while the other was more contemporary with live worship band music. These allowed the followers to ‘consume’ whatever they found themselves more engaged in church services and enriching the religious experiences.

Apart from their religious experience in church, individual members also tried different attempts to enrich their religious experience through consumption. Mandy possessed a lot of religious and theological books to enrich her knowledge in religion even though she could not finish all of them. Kit bought himself a luxury electronic guitar and willing to pay for worship musical courses to learn the techniques. He believed that this would help him getting closer with God during worship.

Kit: I think that the worship programs offered by other Christian ministries are much professional than those in my church. I am willing to pay for these services instead of learning all through by myself.

The young Christians consumed a variety of goods and services including decorations, card, accessories, books, Christian music to enrich personal religious experience. They were also used as gifts to support community members or spread the words to non-Christian community. The informants admitted that by means of consuming Christian related products and services, their religious experiences were enriched

Tristan: I believed Christian products can pull me closer to God, or it becomes a reminder, especially at a time you feel lost...they are physically exist that you can feel it, touch it...you will be reminded what religion meant to you deep in your heart.

Adrian: I think that these products (Christian products) can help me growing up (religiosity). They are also tools I can used to spread the word of God to non-believers nearby

Without deep religious symbols, norms and imageries, Christians were often seeking more religious experiences to have an encounter with God, or simply consolidate their emotional bonds with other people who shared similar religious meanings. These commercial products and services became religious symbols that enriched the spiritual experience in traditional rituals. Consuming religious products and services had become an invention to experience God with others who shared similar faith (Hobsbawn and Ranger 1983). This re-interpretation of religious consumption, central at satisfying the followers’ desire in getting closer to God, was now morally and collectively accepted among the members in the religious group.

A Sense of Moral Responsibility: Conformity and Harmony
As described in the above, consumerism had led to a re-interpretation about a moral religious consumption that allowing the followers to fulfill their desires in personal or collective sense through symbolic consumption. However, this did not suggest that Christians could consume whatever they wanted. To remain harmony and solidified by a shared consciences in consumption behavior, the young Christians were monitored and guided by the church culture – the authority of religious morality.

Apart from sharing their consumption experiences, Christians in fact kept an eye on others’ consumption, especially on what they dressed and used in church. Mandy often talked with Kit that it was not appropriate for him to change his mobile phones frequently. Brian and Rachel had been criticized by others as they were enthusiastic in fashion consumption. Adrian admitted that he cared about how brothers and sisters commented on his outfit. Mic avoided bringing her branded handbags to church as she got bad experiences as commented by other church members.

Mic: Yes! Definitely a yes to that! It is because Christians are often regarded as ‘unsophisticated’ and they will question me why I can behave in that way as a Christian….Perhaps, I m labeled as ‘semi-Christian’ or ‘Sunday Christian’…That’s why I try to avoid these gossips by not using branded labels in church.

Although most of the young informants did not agree with those saying in church that consumption made them looked secular or materialistic, they believed that it would be more of a virtue to conform and to meet the others’ expectation than it was to act in the accordance with one’s own wishes. This became a moral responsibility for the followers to maintain a harmony social and religious environment within church community.

Adrian: I believe it is just a cultural problem. I think all these standards come from the past (church tradition) which defines the way of being serious in church and worship. I mean we need to respect that.

Brian: I don’t like to buy luxury fashion brands like Louis Vuitton because many people know these brands…Others in church would think that I’m wasting money if I got one.

Mandy: I think girls should not dress sexy in church, as it may regard as not dressing appropriately…we should care about the opinions of our peers and our community.

According to the informants and pastors, as long as the follower did not go shopaholic, it was hard to draw a fine to demonstrate to what extent one’s consumption behavior in a religious sense was morally correct or not. Lacking of a set of standards and doctrines, the moralism about religious consumption mechanism lied on a conscience of a shared imagination of moral community among a group of religious followers. It was maintained by a close monitoring among members in church as they were morally obligated to remind brothers and sisters to share similar values in Christ. Although there was a blurring of sacred and profane towards an ‘appropriate way’ of religious consumption, the moral responsibility among church members kept reminding each other to conform to a fluid standard of moral consumption. This provided a solid and collective sense of community to bond the believers together.

To summarize the discussions and findings of the study, it was found that consumerism had significantly influenced both the interpretation and representation of a moral religious consumption at the core belief among the Christ followers. Consumption facilitated in fostering different social linkages inside and outside the community. More importantly, it provided religious symbols for individual followers to construct both personal and collective sense of meanings in sustaining a shared imagination of a moral community on earth. To remark that although there were still a small proportion of conventional churches where members remained modest in their consumption, Christian consumerism in Hong Kong had been identified as a prevailing phenomenon that had drawn much theological critiques (Lok 2002). This provided the credibility of the entire research in reflecting the consumption phenomenon among Christian communities in Hong Kong.

CONCLUSION

This study demonstrates that consumerism has significantly led to a re-interpretation of religious moral system about consumption at the core of religious beliefs structure among the religious followers. Consumerism subsequently changes the representation of the core markers of religion in as a form of community. In adoption of a hermeneutic framework, our study demonstrated that how Christians drifted both personal and collective sense religious meanings through their symbolic consumption. We found that consumption not only sustained individual followers in their own religious identity construction and enriching personal experiences, but more importantly, consumption helps creating a collective sense of an imagined community among members by means of fostering various modes of social linkages with a shared consciousness of kind. The power of this imagined community hence structures individual’s consumption behaviors and choices under a shared, but fluid moral standard of religious consumption. All these findings enrich the current understanding of the dynamic interrelationship between consumption and religious community.

The research also advances our understanding of the relationship between different institutional forces and the power of agency in the market. Instead of viewing consumerism as a challenge to traditional social values (Cova 1997) or a new mechanism replacing traditional social institutions like religion (Elliott 1998), we demonstrate how consumerism and religion can be interrelated and intertwined by the agency of religious followers. Consumption in a social group not only facilitates both personal and collective sense of meaning in identity construction, but also it projects a structure of an imagined community with new interpretation of belief and morality structure (Epp and Price 2008). The pluralistic nature of Christianity becomes a ‘forum of idealization’ among the followers on earth (Durkheim [1915] 1995; Howell 2003).
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Individual Impression Management on YouTube
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ABSTRACT
Recently, YouTube seems to usher in a quiet revolution in people’s media consumption. This paper explores how individuals manage impressions on YouTube. Ten Taiwanese men and ten Taiwanese women were interviewed about their individual (amateur) performance experiences on YouTube. They were asked how they managed and presented themselves on YouTube. The types of strategies with more successful impression management were also investigated. The results constructed a taxonomy of individual YouTube impression management strategies. Qualitative data analysis suggests that participants feel truly empowered to adopt different strategies to manage their images or even to make their star dream come true on YouTube.

INTRODUCTION
Over the past few years, user-generated media (UGM) have been experiencing dramatic traffic growth. A study by Nielsen/NetRatings (2006) showed that the top five out of ten fastest growing web sites in the US from July 2005 to July 2006 were user-generated sites, including ImageShack, MySpace, YouTube, and Wikipedia. With a spectacular growth, UGM seem to usher in a quiet revolution in people’s media consumption. Particularly, YouTube (www.youtube.com) has become the market leader in online video (Wesch, 2008). According to Hitwise, a global Internet research company, the market share of US visits to YouTube in December 2006 was five times more than the shares going to the four broadcast network sites combined (including ABC, NBC, CBS, and Fox) (Prescott, 2007).

Furthermore, YouTube launched a Taiwanese site on October 18, 2007; since then, the number of users has been increasing along with accompanying changes in its users’ behaviors in Taiwan (YouTube news release, 2007; Krehbiel, 2007). YouTube is a new means of self-presentation to users and is gaining attention in managerial practice and consumer/user behavior field. The slogan of this new online service is well-known: “Broadcast Yourself.” Subjects can upload and share personally produced videos, portions of movies and TV shows, creative montages of any audio-visual material that is available on TV or the web. Indeed, consumption practices are among the represented topics. The forms are varied: a fan of the TV series or advertising edits images of his/her favorite program and creates his/her own story using the characters. The new environment of YouTube allows users to freely and creatively redefine their relationship with online strangers, products, brands, and anything related to them (Lange, 2007; Pace, 2008).

New media like YouTube add a new field of study for different streams of research (Kozinets, 2001; Pace, 2008; Scott, 1994). Focused on amateur YouTube performers living in Taiwan, this study explores how they manage and present themselves on YouTube and what specific impression management (IM) strategies help individuals’ attempts to create, maintain, and manage their image to target audiences. It does so by considering the theory on Goffman’s “performed self” theory.

The rest of the paper is organized as follows. It first introduces the features of YouTube, presents Goffman’s (1959) notion of the presentation of self, explains how self-presentation is affected by the specificities of online environments and how impression managements have been studied over the past 40 years. Then, the method section introduces the grounded interpretation of participants who have been performing as amateurs on YouTube. The discussion section analyzes what strategies were used to manage online selves. The conclusion section summarizes the research and puts forward the main conceptual and practical implications.

SELF-PRESENTATION ONLINE
Using the metaphor of a theoretical play, Goffman (1959) conceptualized a person managing self-presentation as a performer. This performer plays in a scene on the stage, managing what the audience sees. As part of their performances, actors attempt to manage impressions by controlling their expressions (which others expect them to do) and their expressions given off (which others do not necessarily expect but may suspect). Performers must be constantly attentive to possible disruptions to performances that can result in undesired or distorted information being conveyed, so that remedial action can be taken to preserve the definition of the situation that the performer wishes to foster. Nowadays, people see the online environment as a stage, whereby the impressions formed of him/her are a result of his/her performances in controlling the information given and given off.

Previously, some researchers have shown interest in web pages as a medium of self-presentation. Smith (1998), analyzing the rhetorical construction of self in personal web sites, highlighted strategies web page hosts use to present the self and invite communication in a case study of a personal web site focusing on fuller figured people. He traced how identity was projected and connections with online audiences made. Particularly, he constructed a taxonomy of web-based invitational strategies: vertical hierarchies (the position of items on the page, from top to bottom), feedback mechanisms (e-mail, guestbook, and others), external validation (awards bestowed upon the site), personal expertise, direct address, and personality. Data also showed that web sites looked for approval from others and mostly used their sites to foster and maintain supportive relationships. Regarding home pages, Walker (2000) found that authors used their pages to support online activities and home pages functioned as a “back-up for online interaction, as a home or an identity” (p. 17). Additionally, Papacharissi (2002a, 2002b) contributed to the investigation of self-presentation online with several studies. Using mixed methods, Papacharissi combined content analysis and survey to study the utility of personal home pages for their creators, finding that web page authors maintained sites to fulfill “entertainment” and “information” needs. According to Schau and Gilly’s self-presentation in personal web space (2003), consumers used multiple self-presentation strategies to construct digital collages that represent the self. Their data also revealed foul strategies involved in digital self-presentation: (1) constructing a digital...
self, (2) projecting a digital likeness, (3) digitally associating as a new form of possession, and (4) reorganizing linear narrative structures. Furthermore, several studies have drilled into specific blog genres and explored self-presentation and identity. For example, Bortree (2005) analyzed teen blogs, finding that girls self-disclosed more information than boys on their blogs. Interestingly, Bortree found linking from one blog to another represented a form of ingratiation, in expressing “like” for another blog or blogger. Huffaker and Calvert (2005) also investigated identity constructions on teen blogs. The results showed a high degree of self-revelation and submitted that disclosure of identity information, such as location or real name, play an important role in creating and maintaining blogs since these kinds of descriptors are relevant to the self.

Currently, YouTube also provides the ideal setting for self-presentation and performances, allowing maximum control over the information disclosed (Lange, 2007; Pace, 2008). Earlier studies showed that the absence of nonverbal or other social cues restricts the information exchanged to the online environment the user inhabits. In this regard, earlier online environments, lacking in media richness and social presence, restrain nonverbal communication. The expressions given off are either minimal, or carefully controlled, or both. Therefore, users execute a carefully controlled performance through which self-presentation is achieved under optimal conditions. Nevertheless, previous research has shown that it is possible to communicate nonverbal signals online, through use of hyperlinks, emoticons, animations, and other technological conventions (Walther, 1992, 1996; Huffaker and Calvert, 2005). We argue that one’s strategy in manipulation on YouTube should influence the success of online individual impression management.

**IMPRESSION MANAGEMENT**

The self-presentation concept, also referred to as impression management, implies that every individual performs a certain role while appearing in public (Goffman, 1959; Papacharissi, 2002b). Over the past 40 years, impression management (IM) has either been studied in areas involving career outcomes or areas focusing on the related topics of self-presentation and ingratiation (Goffman, 1959; Bolino, Kacmar, Turnley, and Gillstrøm, 2008). Goffman (1959) argued that individuals can be strategic in their impression formation. Historically, researchers have investigated IM at the individual level of analysis, seeking to understand the ways in which the behaviors of actors/performers affect the evaluations made by targets/viewers.

Given the dyadic nature of IM, the majority of work in this area have focused on the use of IM in the context of performance appraisal (Barsness, Dickmann, and Seidel, 2005; Harris, Kacmar, Zivnuska, and Shaw, 2007), interviews (McFarland, Ryan, and Kriska, 2003), feedback seeking (Ashford and Northcraft, 1992), and career success (Wayne, Liden, Graf and Ferris, 1997). Overall, researchers have proposed several different theoretical frameworks of IM within organizations (Bolino and Turnley, 2003; Jones and Pittman, 1982). While several theoretical and empirical frameworks have been proposed, the Jones and Pittman (1982) taxonomy has remained the popular theoretical model that has been empirically validated (Bolino and Turnley, 2003). According to their frameworks, individuals typically use five impression management strategies: (1) Self-promotion, whereby individuals seek to be viewed as competent by touting their accomplishments and abilities; (2) Ingratiation, whereby individuals seek to be viewed as likable by doing favors for others or flattering them; (3) Supplication, whereby individuals seek to be viewed as needy by broadcasting their limitations or showing their weaknesses; (4) Intimidation, whereby individuals seek to be viewed as intimidating by bullying or threatening others; and (5) Exemplification, whereby individuals seek to be viewed as dedicated by going above and beyond the call of duty (Jones and Pittman, 1982). Clearly, empirically-derived IM models in organizations have been introduced as well (Bolino and Turnley, 2003). However, Bolino and his colleagues highlighted that in recent years, researchers have begun to notice new areas that had been largely ignored in the past (Bolino et al., 2008). Particularly, with the expansion of the Internet and other novel communication technologies, it is increasingly common for (amateur) individuals to manage and present themselves as actors/performers on video-sharing websites such as YouTube.

In this paper, we argue that using the Jones and Pittman (1982) taxonomy as a model seems relatively inappropriate for explaining individual impression managements on YouTube. Most empirical studies on IM have focused either on how situational or individual factors affect the use of specific IM-related behaviors in organizations or how certain IM strategies influence outcomes such as promotions, performance appraisal ratings, and career success. This model does not seem very well suited for defining individual impression management strategies on YouTube. There may be a new tendency for individuals to generally manage impressions corresponding to certain forms that are likely to emerge from YouTube. The goal of this study, then, is to use grounded theory to identify different patterns of self-presentation and individual impression management strategies on YouTube.

**METHODS**

We conducted user interviews to collect information of how users manage and present themselves on YouTube, and what strategies have been adopted to manage their online images. For ethical reasons (to keep the online users’ identity confidential), the manager of the YouTube Taiwan Company does not carry out the recruitment of participants. Through a snowball process, a purposeful sample of 20 participants (10 men and 10 women) who are YouTube amateur performers took part in this study (Mason, 2002). The 20 participants had all been involved in uploading individual original videos onto YouTube for at least a year. The ages ranged from 16 to 32 years old, with an overall mean age of 25 years. All participants resided in Taiwan. Although a pool of twenty key participants may seem small to some readers, it exceeds the number suggested by McCracken (1988, p. 17) as sufficient for generating themes in this type of qualitative research. The main data reported in this paper were collected from October 2007 to December 2009.

A demographic profile of the participants is presented in Table 1. For reasons of confidentiality, all participants are referred by pseudonyms in the paper.
Table 1  Summary of Participants’ Profiles

<table>
<thead>
<tr>
<th>Name</th>
<th>Gender</th>
<th>Age</th>
<th>Occupation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mark</td>
<td>M</td>
<td>27 yrs</td>
<td>An assistant at an architect’s agency</td>
</tr>
<tr>
<td>Tim</td>
<td>M</td>
<td>20 yrs</td>
<td>College student</td>
</tr>
<tr>
<td>Vincent</td>
<td>M</td>
<td>26 yrs</td>
<td>Graduate student</td>
</tr>
<tr>
<td>Hank</td>
<td>M</td>
<td>32 yrs</td>
<td>A employee of a civil engineering company</td>
</tr>
<tr>
<td>Jack</td>
<td>M</td>
<td>27 yrs</td>
<td>Sales</td>
</tr>
<tr>
<td>Gary</td>
<td>M</td>
<td>23 yrs</td>
<td>College student</td>
</tr>
<tr>
<td>Adam</td>
<td>M</td>
<td>22 yrs</td>
<td>College student</td>
</tr>
<tr>
<td>Andy</td>
<td>M</td>
<td>22 yrs</td>
<td>College student</td>
</tr>
<tr>
<td>Howie</td>
<td>M</td>
<td>21 yrs</td>
<td>College student</td>
</tr>
<tr>
<td>Eric</td>
<td>M</td>
<td>16 yrs</td>
<td>High school student</td>
</tr>
<tr>
<td>Linda</td>
<td>F</td>
<td>26 yrs</td>
<td>Sales</td>
</tr>
<tr>
<td>Annie</td>
<td>F</td>
<td>19 yrs</td>
<td>College student</td>
</tr>
<tr>
<td>Lisa</td>
<td>F</td>
<td>23 yrs</td>
<td>College student</td>
</tr>
<tr>
<td>Jennifer</td>
<td>F</td>
<td>23 yrs</td>
<td>College student</td>
</tr>
<tr>
<td>Clare</td>
<td>F</td>
<td>27 yrs</td>
<td>A marketing specialist at a farming company</td>
</tr>
<tr>
<td>Alice</td>
<td>F</td>
<td>29 yrs</td>
<td>An interior designer</td>
</tr>
<tr>
<td>Vicky</td>
<td>F</td>
<td>32 yrs</td>
<td>Nurse</td>
</tr>
<tr>
<td>Ivy</td>
<td>F</td>
<td>25 yrs</td>
<td>Graduate student</td>
</tr>
<tr>
<td>Sherry</td>
<td>F</td>
<td>27 yrs</td>
<td>Secretary</td>
</tr>
<tr>
<td>Kelly</td>
<td>F</td>
<td>26 yrs</td>
<td>An assistant at a retail company</td>
</tr>
<tr>
<td>≈ 25 yrs</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Patton (2002) identified three basic types of qualitative interviews for research or evaluation: informal conversational interview, interview guide approach, and standardized open-ended interview. We employed the interview guide approach, considering the main purposes of the study is clear, and we already had enough information from online observations to develop guidelines for interviews. We randomly observed over 1,600 films uploaded by Taiwanese amateur performers on YouTube from October 2007 to December 2009. We left the details for the study on the individuals’ YouTube blogs, including the aims of the study, what was involved, and contact details of the principal investigator. They were told that if they were interested in being interviewed, they were to either phone or email the principal investigator to organize a time for a face-to-face interview.

A structured interview schedule, which mostly consisted of open-ended questions, was designed for this study. Participants were initially asked to report basic demographic details about themselves (e.g., age, socio-economic status, gender). Next, they were asked to explain how they managed and presented themselves on the YouTube site. They were finally asked to describe what strategies they used to set-up. The interviews were all conducted face-to-face. Each in-depth interview ranged from one hour to nearly two and a half hours and was audiotaped and transcribed verbatim. Each interview was conducted in a coffee shop with only the participants and the researchers in the natural atmosphere. In order to minimize the “distortion of the fieldwork texts,” we read all reported data directly from the original language (i.e., Chinese or Taiwanese) and translated it literally. We took the comprehensive meaning of the text then translated it figuratively while maintaining its holistic sense.

Grounded theory (Glaser and Strauss, 1967) guided the procedures for analysis. As Willig (2001) argued, “grounded theory involves the progressive identification and integration of categories of meaning from data. Grounded theory is both the process of category identification and integration (as method) and its product (as theory)” (p. 33). In this study, themes emerged from the participants’ responses rather than a priori categories. Although strictly speaking, grounded theory puts aside any previous theories in order to develop new theories (Glaser and Strauss, 1967), this analysis did take into account previous work on the management of self when considering the data. Previous researchers have also conducted qualitative research in this way (Willig, 2001). Data analysis used pattern coding and analysis to identify emergent themes. Once themes were decided upon, each transcript was re-examined and coded for whether these themes were absent or present. To ensure inter-coder reliability two scorers separately coded the entire data set. In the few cases where there was disagreement, the researchers discussed their opinions until consensus was reached.
next section, the emergent themes from the interview data will be fully discussed.

**FINDINGS**

Based on literature and interviews, we underline the three strategies that individuals use to manage and present the self on YouTube, including basking, mystification, and self-promotion. The following are the details:

**Basking Strategy**

Basking is one of the most popular strategies that amateur performers use to manage individual impressions on YouTube. The definition of basking refers to how actors/performers enhance their image by claiming association with prestige figures (Bolino et al., 2008). In our data, it appeared that some participants initially drew attention to themselves through connections with popular or successful celebrities. They imitated their performances and impression management activities by association. Impression by association refers to the behaviors (i.e., tone, actions, or sense of style) the participants created for their original videos in order to manage their associations with celebrities and to create more favorable impressions for themselves. Basically, most participants like Mark believed that “YouTube is a great platform for an individual to present himself/herself.” To date, they realized how to use a basking strategy to attract online target viewers’ interests and urge them to view their videos frequently, and then make themselves attractive by associating themselves with celebrities. Mark was typical in explaining his basking strategy on YouTube in Taiwan. He explained how and reflected on the way he learned this strategy from celebrities to manage his positive impressions. As expressed by Mark:

*The most important thing is to copy the original concept from celebrities’ works, and then input my own factors or ideas to revise them. It might look like celebrities’ works but I only borrow from high-profile celebrities to enhance my ideas. Most Taiwanese actors or actresses also copy some concepts or behaviors from Hollywood films and then input some of their own new ideas, right?*

Basking identities or performances of celebrities can be seen as participants striving to capitalize on their association with high-profile celebrities in an effort to secure a strong performance appraisal. When Tim industriously imitated the image of Alexander Wang, a famous star in Taiwan whom he likes, he was delighted to receive some positive feedback from online target audiences:

*I admire his good shape (Alexander Wang)... He is very handsome and professional... I have always wanted to be like him so I copied his recent Ad concept and uploaded that to YouTube. Ha...ha...ha...some online viewers left messages saying I look a lot like him and that my performance is as good as his. I am so happy to hear that.*

It was also suggested that the participants bask in the reflected glory of the positive image of celebrities in order to enhance their prestige and further become a (web) star (McFarland et al., 2003). Lisa told us several television companies broadcasted her original YouTube videos on their channels and also invited her to attend television talk shows. She admitted that a basking strategy helped her gain confidence and made her “star” dream come true. As stated by Lisa:

*In the beginning, TVBS released one of my videos on its news channel... More and more of my friends kept telling me this kind of stuff (that they have seen me on TV). Then, the ETTV channel contacted me and asked me to attend its talk show for an interview... I agreed and performed as a guest star in its program... A few days later, I was informed that the rating was very high so the producers of other TV programs kept asking me to attend... I feel like a star right now.*

**Mystification Strategy**

Our data also highlighted that YouTube allows for a greater “mystification,” that is, for a greater distance between how people who manage themselves and the audience. The audience’s lack of access to the offline backstage of the performance creates a much greater potential for mystification. Participants on YouTube can therefore easily hide aspects of their offline persona they do not want known by others, while emphasizing other aspects they deem presentable. Such presentation of new or possible selves online is apparently freed from the constraints of the offline world (Suler, 2004), as Adam explains:

*To tell the truth, it will be effective to attract my viewers when my magic show was shot without showing my face to keep mystery. Based on a normal rule, if you are not a good-looking guy, your magic shows will attract nobody. It is invalid even if you work hard to show your magic skills. The reason is simple because of your unattractive appearance. So not showing my face to keep mystery is one of my strategies to maintain viewers’ attentions on my skills. The professional image naturally emerges through my mysterious performances.*

A number of previous theorists have argued the importance of the body image online and the need to appear physically attractive (Kim, 2000). However, in stark contrast, this study revealed that some participants who adopted a mystification strategy believed that the need to present positive characteristics of themselves was more important than any other physical images. The results from this study highlighted how to excite YouTube viewers’ senses, some participants used a strategy of not revealing the important part of their physical image on purpose, keeping a mysterious identity to emphasize their talents, and not draw attention to their physical appearance. For example, Alice explained the reason why she did not show her face on her original YouTube videos by stating: “I keep a feeling of mystery to my viewers because I want them to focus on my dancing skills.” We found that mystifying one’s performance is
especially useful in building an impression of expertise and to encourage the audience’s trust in one’s skills. In other words, managing a degree of mystification strategy may be part of a trust- and reputation-building relationship development, as performers in entertainment fields and knowledge management systems are often seen to improve their reputation as knowledgeable and to become experts (Kankanhalli, Tan and Wei, 2005; McLure Wasko and Faraj, 2005). Participants also talked about the importance of keeping a mysterious profile that could successfully attract the attention of their targets. Some described this as a process of impression construction. This is explained by Vincent below:

  I only show my dancing... The viewers could not see my face... While I have been unwilling to answer their questions, I have kept my mystery in order to let them focus on my dancing skills. See, during the long process, they seem to like my dancing skills, and call me a “Dancing Angel”.... Just let them keep guessing! I quite enjoy this kind of mysterious atmosphere.

Similarly, in his original YouTube videos, Hank only showed his soft and beautiful woman-like voice along with images from the famous Japanese female singer Utada Hikaru. To his surprise, a great number of online viewers offered him praise and encouraged him to sing more of her songs:

  I felt so happy when my voice, imitating Utada Hikaru (one of the most famous Japanese pop stars), was accepted by a lot of online viewers on YouTube. They left messages to me saying “You are so great!!” These messages really touched my heart. Some of them even urged me to sing her other songs...

In fact, there were some cases proving that individual impressions gained negative or stereotypical labels when the mystification was eliminated. As stated above, Hank had been famous in Taiwan for imitating the beautiful, woman-like voice of Utada Hikaru. In the beginning, he purposely chose to be mysterious so that nobody knew that the woman-like voice on the video actually came from a “man.” One day, he decided to reveal his face while performing with a woman-like voice. The results really hurt him. As described by Hank:

  Beyond my understanding, they loved my woman-like voice when they only listened to it as matched with Utada’s photos. When I uploaded my appearance as a man with the same voice, all of the YouTube viewers became crazed and angry... Some replied “That’s outrageous, when I saw your face.” Others said, “It’s disgusting, when I knew you’re a man.” I felt frustrated and depressed... I thought they have kept some stereotypical images in their minds.

As in Hank’s case, we acknowledged that managing an impression is a dynamic process. Managing individual impressions is not as simple as we expected. Not only can it be technically challenging, it can be psychologically complicated. As demonstrated in the quotations above, individuals experimented with what mysterious descriptions or performances would be more successful at attracting others. More importantly, individuals were most concerned with how they created positive images in order to establish their social networks. This is nicely expressed by Kelly:

  No matter what strategies we use, the final goal is to extend our social influence. After all, we want to be famous... Today, when you upload your personal performances or images onto YouTube, there are at least one million people in the world who can see you. The impact is more than any TV show in Taiwan could ever produce.

Given the importance placed on making the best impression on YouTube, all the participants were highly encouraged by worldwide audiences. Adam admitted “Everyone wants to be famous... even my father wants to be famous, too.” He stated ecstatically how he generated a lot of international fans who cheered him up. Their encouraging statements also broadened his views to compete with other rivals in the world. This is explained by Adam below:

  Most online viewers were impressed by my magic skills. Some asked me to teach them, while others suggested that I publish a magic book... Gradually, they became my fans... They have always encouraged me to improve my approaches... My online fans are unlimited within Taiwan... You know YouTube is worldwide so some are foreigners... They sent messages saying, “Your magic show some day will be better than magic David Blaine...” Who knows? Maybe some day I will actually become the best in the world.

Self-Promotion Strategy

Self-promotion strategy goes beyond claims of competence and requires framing of performances. The results of this research also found that YouTube was a place where the participants could be creative with their identities and self-promotion. While maintaining a good impression, our findings were similar to previous studies showing that individuals selected ideal or perfect gestures as well as behaviors to be shot (Bortree, 2005; Papacharss, 2002a; 2002b). They planned in advance, and then they uploaded the results onto YouTube. To give an example, Jack used technical skills to revise his appearances on his original YouTube videos in order to match his personal expectations:

  I have revised my appearances and posted certain gestures learned through the mirror to show the “ideal
me” on my YouTube videos. I want to be seen as a perfect man. I used to revise my photos on my blog. Now, technology has been improved and I can do it on videos, too.

Self-promotion is defined as the act of seeking to be viewed as competent by touting an individual’s abilities and accomplishments (Bolino and Turnley, 2003). Systematically analyzing our data, these abilities and accomplishments include singing, dancing, playing in a band, playing an instrument, or being good in sports as well as executing values or beliefs on our participants’ original YouTube videos. For example, Gary was happy that YouTube provided a great platform for him and his band to present their specialties. Below, Gary described how to manage a new identity by uploading his band’s performance videos onto YouTube:

I have always wanted to distinguish my band from others. In the past, it was very difficult for me because most bands were similar and audiences found it easy to forget us. Now, we turned our images upside down on YouTube. Sometimes we made up ourselves differently or wore wigs to attract viewers’ attentions. Through YouTube performances, we present ourselves differently... I seem to take on another personality. It breaks me out of the cocoon. In this way, I gain more confidence to promote my band and myself.

What also emerged from this study is the amount of information individuals self-promotion to their online target audiences, namely, their values and beliefs. Jennifer highlighted how she has focused on her values by promoting localization concepts. According to Jennifer:

I show my bicycle traveling documentary in order to share my feelings on how the friendly, hospitable people in this country have cheered me up. This documentary encourages me to establish connections with my homeland and people, helps me understand locals, and then teaches me ways I can communicate with this society.

Similar to others who have used strategies, our participants did admit to using a self-promotion strategy to help them gain more worldwide audiences who can admire their abilities and accomplishments. Within such a scheme, there was possibility for a social relationship to develop. This was nicely described by Clare below:

I have been uploading videos showing my dancing skills on YouTube...You know people in the world can watch my performances. One day, a Mexican guy contacted me and said he really liked my dance. I was so happy. It sounds absolutely heavenly. I have fans in other parts of the world.

DISCUSSION AND CONCLUSIONS

This study constructed a taxonomy of individual YouTube impression management strategies: basking, mystification, and self-promotion. It is interesting to learn that YouTube has not only provided a platform for an individual to share clips/videos with acquaintances, but has also become a “worldwide” platform for an individual who manages and presents the self as an amateur performer to convey a positive impression formation to attract his/her online target audiences. The primary goal of most online amateur performers interviewed for this study was to attract worldwide audiences/viewers, they are not dependent on the traditional actor/agency systems, that is, they feel truly empowered to adopt different strategies to manage their images on YouTube.

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Individual Impression Management on YouTube

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The Negative Effects Of Sponsoring a Rival Team
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EXTENDED ABSTRACT
The focus of sponsorship research to date has been the positive brand effects of sponsorships and the factors that moderate these positive effects. The present study asked the question whether sponsorships in some cases could have negative brand effects. Are there instances in which some people strongly dislike the sponsored object and transfer their dislike to the brands that sponsor it? The answer to this question was sought in team sports, where it is common that the fans of one team dislike its rival teams intensely. In particular, the present study looked at European Football (soccer), a sport in which intense rivalries between teams is common. The focal teams were AIK and Hammarby, both based in Stockholm, Sweden, and long-time rivals. AIK has been sponsored since 1993 by the beer brand Åbro and Hammarby was sponsored between 1999 and 2009 by the beer brand Falcond. These teams and their sponsors offered an excellent opportunity for an in-market experiment to study possible negative effects of sponsorships.

Sponsorships are generally assumed to have a positive effects on brands through a process of image transfer, in which the positive associations the target audience has to the sponsored object are transferred to the brand. This process is assumed to be the same as the process for celebrity endorsements. Several studies have found that functional and/or image fit between the object and the brand moderates the image transfer in such way that the positive effect is stronger the better the fit. It has also been argued that sponsorships create a goodwill effect, similar to that created by philanthropy. This goodwill effect is expected to have positive effect on the attitude towards the sponsoring brand.

A tenet of sponsorship research is that sponsorships have positive effects on the sponsoring brand. The possibility of negative brand effects is never mentioned, the “worst case” considered is no brand effects. However, there is no obvious reason why negative associations to a sponsored object would not transfer to the sponsor in the same way as positive associations. In most cases, of course, objects with negative associations will not be chosen by sponsors. However, there are instances in which an object has positive associations for some people and negative associations for other people. A typical such situation is rival teams in European football (soccer). In the European football leagues it is common to find pairs or small groups of teams where the rivalry between teams is particularly fierce, on as well as off the football field. For football fans being a supporter of one team often go hand in hand with a dislike for the main rival team. In a sponsoring context the question is to what extent the dislike felt for a rival team is transferred to its sponsors. As there is nothing in the literature that suggests that negative image transfer is less likely than positive image transfer, the hypothesis that forms the basis of the present study is that there will be transfer of negative associations, or a general dislike, from a rival football team to its sponsors.

The present study is based on a quasi experiment in which an experiment group of fans of the Stockholm-based football team AIK were compared with a matched control group made up of people that were neither fans of AIK nor their local rival Hammarby. The Experiment group and the Control group responded to a web-based survey instrument measuring their perceptions of the beer brands Åbro, which sponsors AIK, and Falcon, which until recently sponsored Hammarby. The data were analyzed to find out whether the brand perceptions of the experiment group differed significantly from those of the control group.

Results demonstrate that fans of the Stockholm team AIK transferred their dislike of the rival team Hammarby to the beer brand Falcon. A number of linear mixed models, with different Falcon brand variables as dependent variables, showed a significant interaction effect between group (Experiment [i.e., AIK fans] vs. Control) and Brand (Åbro vs. Falcon). The fixed effect estimate was consistently negative for the combination of Experiment group and Falcon. Moreover, mean scores on purchase intention, brand attitude, and brand beliefs were much lower for AIK fans than for the control group.

One implication of the results is that both researchers and practitioners need to consider possible negative effects of sponsorships in sub-groups. Another implication is that evaluation of the fit between the sponsored object and the brand need to include measures of attitude toward the object.
This roundtable brings together researchers interested in Chinese brand culture to discuss recent development, research methodology and interdisciplinary insights into how brands, consumers and culture interplay in the Chinese context.

Key issues that advance this discussion include 1) debates over the conceptual and ideological issues of Chinese brand management and research into global brand culture, 2) how brand culture is evolving in Chinese transition economy, 2) theoretical issues that emerge from the interdisciplinary perspective of brands in Chinese context, 3) intense interest in Chinese brands and consumer culture from historical and geographical perspectives.

In the past twenty years, the landscape of brand research has changed substantially. Previous research has examined not only how companies employ strategic and time-tested branding practices in generating brand myths, but also how consumers invest brands with particular meanings within particular sociocultural milieus. Further, various arms of the media, by this I mean television programming, magazines, movies, books, labour unions, retailers, brand professionals, and brand researchers, also contribute to brand myths and branding activities. The sum of total of these varied brand actors actions defines the cultural meanings of brands. It is for this reason that the cultural approach to branding necessarily includes the discourses of brand actors pertaining to the cultural meanings of brands. This correlation notwithstanding, most studies on international marketing and consumer culture have paid scant attention to precisely how brand development research adapts to market conditions and contributes to public discourse on branding practices. In contrast, this session adopts a cultural approach to global branding in an effort to discuss the brands in global brand culture.

Recently, much attention has been given to how western and Chinese brands work with Chinese consumers, how Chinese consumer read western and Chinese advertising and brands (e.g., Zhao and Belk 2008; Dong and Tian 2010) and how brand builders construct Chinese brands (Wang 2008). However, little attention has been given to the discourses of brands in Chinese context. As such, this session discusses the brand culture in China. We seek to adopt an interdisciplinary approach to brands, and add a cultural perspective to global branding in particular (Schroeder, 2010). We believe the session will have core appeal to brand researches in non-western context (e.g., Cayla and Arnould 2008).

We use rhetorical theory as a framework for this session. Brands could be seen as a cultural form that evolves with the changes of their historical, geographical and social context. For example, global brands are a key metaphor for learning more about consumers’ modern identity formulation and personal positioning process through their everyday consumption experiences (Bengtsson and Östberg 2006). The cultural meanings of brands, whether positive or negative, are co-developed by “various authors”, including brand owner, consumer, popular culture (e.g., fashion culture) (Bengtsson and Östberg 2006; Holt 2004). Fashion systems produce brands’ cultural meanings (McCracken 1986) as it is seen as the second nature of human life because of its great contribution, of its creativity and innovations and cultural meaning creation (e.g. Blaszczyk 2007). Culture and history can offer important contextualized contrasts to managerial and information processing perspectives of global branding’s interaction with consumer society (Schroeder 2007). Intricate and diversified ways of involving social, cultural, and historical resources, no matter local or distant, provide an opportunity of productive groundings for brand development. For example, Chinese branding’s emergence in the imperial China indicates the involvement of the historical culture as a strategic brand-signifying practice (Eckhardt and Bengtsson 2007). History indeed offers a free and mythic space where people can present myriad narratives into placeless spaces and thus indicate the utopian idiocyncrasy and the desire to reconfigure history in aesthetic, cultural and modern approaches (Brown et al. 2000; pp.57-59). For example, the historical themed references from western European historical heritage and American heroes’ images develop two ways of global fashion branding for Chanel and Yves Saint Laurent, and Ralph Lauren and Tommy Hilfiger (Kapferer 2006).

Therefore, this session will present how brands and identity interact within the particular culture, religion, history and politics in China’s context. Our discussant, Jonathan Schroeder, is not only distinguished in the area of brand culture research, but in both sign theory and consumer relationships to brands as well. Therefore, we anticipate a high quality synthesis for this session.
EXTENDED ABSTRACT

Ascendant or resurgent nationalism and the strengthening of local identities are familiar alternatives to globalization (Ger and Belk 1996). The rise of “consumer nationalism” often leads to the resistance of foreign brands (Wang and Wang 2007), or the use of foreign brands to reinforce local identities (Dong and Tian 2009). Nationalism and imaginations about nation-states structure consumers’ understandings of brands and often turn their brand choices into provocative political statements. Although it has been recognized that consumers interpret brand choices through such political discourses (Thompson and Coskuner-Balli 2007), and pursue political agendas through brands that articulate their political preferences (O’Guinn and Muñiz 2004), cultural theories of branding have mostly focused on identity myth-making, emotional bonding, and community building (Fournier 1998; Muñiz and O’Guinn 2001).

Although it has also been recognized that global brands potentially constitute a hegemonic brandscape and shape consumers’ consumption experiences in ways that facilitate the global expansion of market capitalism (Thompson and Arsel 2004; Sherry 1998), the blurring boundaries between brands and politics have been largely ignored in previous branding theories (Arnould and Thompson 2005; Zhao and Belk 2008a). Emphasizing abstract brand attributes (Keller 2003), previous studies are also constrained to a particular time and rarely historicize branding within sociocultural and political transitions (Holt 2004). Little is known about how rapidly changing sociocultural and political circumstances jointly shape branding. We seek to address these gaps in consumer culture theory through a much-needed historical inquiry into brands and political ideology within a non-Western society (Low and Fullerton 1994; Wengrow 2008). Using a semiotic analysis, we examine how nationalism was constructed, represented, and contested in Chinese brands in early 20th century.

Although China was already trading with Southeast Asia and Japan before the arrival of Western traders (Van de Ven 2002), with its 1842 defeat in the Opium War and the resulting influx of British and other foreign nationals into a half dozen “treaty port cities”, China was quickly inundated by the flood of exotic commodities (Dikötter 2006). By the 1930s, Shanghai, among other treaty ports, had been turned into a city of department stores, night clubs, waterfront bars, theatres, movie theatres, neon lights, and dance halls (Cochran 1999). Branded consumer goods from Japan, America, Europe, and Southeast Asia were on constant display. A widespread desire for consumption was also evident (Stearns 2006), fueled by a sophisticated advertising infrastructure of billboards, radios, cinemas, teahouses, newspapers, and magazines. The nascent consumer culture in 1930s’ Shanghai was also accompanied by frequent boycotts against foreign goods, and provides an ideal arena to explore brands, consumption, and nation-building.

Modern nation-states are often culturally constructed through the collective experience of reading books, pamphlets, newspaper, maps, and other modern texts that help to forge a sense of belonging (Anderson 1991), and by the (re)invention of national history, ritual, mythology, and symbolism (Hobsbawm 1983). The development of nationalism in Western Europe, the Americas, and in Russia is considered to have supplied a set of modular forms for subsequent nationalisms in Asia and Africa. However, imagined communities may take different forms at different times. Consumption has recently been found to have played an important role in shaping the contours of many modern nation-states (Breen 2004; McGovern 2006). Brands often constitute a more subtle, but no less effective, form of imperialism than military and religious confrontation. Cayla and Eckhardt (2008) also argue that brands are symbolic forms that help mobilize cultural imaginations through creating new types of sociality beyond country borders.

Brands have not only been promoted as cool or counter-cultural (Frank 1997), but also patriotic and political. They may not only mark someone as a unique, self-interested, and acquisitive consumer, but also as a patriot, a socially-minded citizen, or a watchdog against foreign invasion. We build upon previous works that emphasize cultural approaches to branding and focus on the politics of brands. We broaden our understandings of the dialog between brands and political ideologies, especially in relation to nationalism and nation-building. In particular, we explore whether or not, and if so, how, brands joined other cultural forms to articulate China as a modern nation-state in pre-communist Shanghai. We show brands construe a sense of unity, autonomy, and shared identity through (re)inventing narratives about the past, visualizing a triumphant future, materializing shared national ideals, and forging nationalistic communities.
EXTENDED ABSTRACT

Identities are in flux in cultures in transition such as China, and brands, as one of the most prominent symbols in contemporary Chinese culture, takes on an anchoring role. In investigating how brand meanings are formed, we discover that brand meanings are created at the social rather than the individual level, and that brands take on rigid roles. That is, brand meaning is not malleable, but rather has one, societally agreed upon meaning which is widespread.

We investigate these issues via an interpretive study which takes place in Chengdu and Xi’an, China, two tier two cities which are rapidly rising in importance. We use a naturalistic group interviewing technique (Eckhardt and Bengtsson 2010) to capture the social dynamic of the process. We present a variety of brand scenarios to naturalistic groups – that is, the groups know each other in some capacity, ranging from intimate friends to coworkers. Respondents are asked a series of questions surrounding what they think is going on in the scenarios, and how they would interact with the brand as a group. Discussion in the group flowed very naturally and smoothly. Interview transcripts were hermeneutically analyzed, and observation of both retail outlets and advertisements related to the brands under investigation took place to supplement the naturalistic group interviews.

We summarize our findings as follows. First, we address what influences the social construction of brands. The marketing messages from the brand, the social context in which the brand is experienced, and aspects of the logo itself all have an important role to play. Brand meaning comes from the consumption activity not the product itself. For example, in a retail setting, our research revealed that there is a perception that business men frequently go to Starbucks to conduct deals, the brand is associated with masculinity, the hushed tones of business associates talking, etc. Consumers cannot accept young girls going there with their friends to look at photos and giggle. The meaning of the brand centers around the type of activity that takes place there. This can be reinforced by marketing communications though. For example, our research revealed that consumers have very well formed ideas about Haagen Daazs being for lovers. One goes there with a romantic other. It is very inappropriate for a parent to take a child. Haagen Daazs reinforces this through romantic imagery in its ad campaigns. As places to go with a romantic partner are still fairly limited in China, with multiple generations living at home and the institution of dating being only about 15 years old, it is in Haagen Daazs interest to facilitate its brand meaning around this type of activity.

This point is not only true for retail services, it is also true for products. For example, the brand images associated with varying brands of single serve ice cream, that you would buy in a corner store, were strongly attached to the nature of the people and the activity that were considered appropriate. Wall’s ice cream (Unilever) was associated with the upper classes eating it to quench their thirst. Whereas Yili (local brand) was considered to be more appropriate for the masses, although only in particular circumstances. Men eating Yili outside on a bench while in suits was so far removed from the type of activity considered appropriate for that brand, our respondents could not believe it could happen, and assumed the men must be from the country side, and thus did not know what type of brand this is and how they were breaking the rules.

These insights differ substantially from the way we think about brands in a Western context. In China, brand choice reflects a consumer’s character and class, and brand choice is determined by who one is with and the nature of the relationship, rather than internally held attitudes or beliefs. This leads to what we identify as rigid brand roles, where brand meaning is highly structured and limited as to where it can be taken by brand managers. Class, gender, age, occasion, importance of social activity, nature of the space: these are the factors that lead to brand rigidity. Essentially, social construction leads to brand rigidity. There is an expectation that there will be congruence between the brand/the consumer/the social context of the consumption. The brands we studied can be appropriate for only one context: business, pleasure, or romance. The meaning cannot transcend category, and what the brand is appropriate for is decided at the group level.

This research has significance for understanding theories of brand development as well as theories of the social construction of consumption. In conceptualizing how this rigid brand meaning comes to be, it emerged in our data that folk knowledge of consumption and brand usage as part of identity construction/relationship building is an important factor in how class, gender, age, occasion, etc. get so tightly cemented to particular brands, supporting Frystad and Wright’s (1995) model of folk knowledge and its importance to consumption behaviors. Additionally, as Chinese society is in flux, Chinese consumers are in the process of creating their own institutions. That is, they are trying to understand the social reality around them as it is played out in brand usage, but they are also creating it. So many of these brands are brand new to them, they are starting with a blank slate and creating societal meanings for them. This is reminiscent of Berger and Luckmann’s (1967) description of the social construction of reality, and Deighton and Grayson’s (1995) discussion of how that is manifested within marketing.
ROUND TABLE SESSION
A Cultural Approach To Chinese Brand Development: A Case Study of Shanghai Tang
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EXTENDED ABSTRACT
Despite the fact that the emergence of the commercial Chinese brands has been seen as early as the Qing dynasty (Eckhardt and Bengtsson 2007), in contemporary Chinese society, small number of researches focus on Chinese brand development or Chinese brand globalization from the cultural perspective and further most of them concentrate on Chinese consumer culture. In the Chinese context, much research concentrated on how western brands influence Chinese consumers and producers or develop in the Chinese market. Such researches have investigated the appeals towards western advertisements from the Chinese consumers and government (Tse et al. 1989; Zhao and Belk 2008) and how Chinese consumers consume western brands (Dong and Tian 2009; Hooper 2000; KPMG 2007; Wang 2000; 2008). Further, a review of international marketing literature suggests the two key streams of studies in the Chinese context. The first stream is the study of individualism and collectivism on global consumer culture and examining Chinese consumers’ collectivism and hence relevant marketing-mix elements or managerial style (e.g. Aaker and Williams 1998). The second one is the study of moving the western branding models and frameworks in Asian markets (e.g. Martin 2005; Temporal 2001; 2006). However, the western branding models and principles may not work effectively in other cultural contexts due to their cultural differences, and a cultural approach to branding should be employed in global context, just as Cayla and Arnold suggest (2008). As such the cases of Georgia (Manning and Uplisashvili 2007), and Chanel and Yves Saint Laurent, and Ralph Lauren and Tommy Hilfiger expound how they employ the cultural reference in their brand development and therefore become strong global brands (Kapferer 2006). Moreover, Cayla and Arnould (2008) firmly advocate researches in the study of Chinese brand development with a cultural approach based on the successful example of Georgia. Such explorations indicate that Chinese brand globalization lacks theoretical principles. This study looks at global branding at Chinese context.

Schroeder (2010) claims the use of interdisciplinary scholarship about brands in global brand culture as the current “hot topic” in its research. The unique approach in the interdisciplinary research on brands has advocated a cultural perspective to branding (Calva and Arnould 2008). This paper applies the cultural approach to study of brand development. Brands could be seen as a cultural form that evolves with the changes of their historical, geographical and social context. Culture and history can offer important contextualised contrasts to managerial and information processing perspectives of global branding’s interaction with consumer society (Schroeder 2007). Intricate and diversified ways of involving social, cultural, and historical resources, no matter local or distant, provide an opportunity of productive groundings for brand development. For example, historical culture plays an important role in developing the mythic brands as well as creating authentic, nostalgic and sacred consumption in global branding practices. Brand methodology arises from the stories of history and heroes and cultural contradictions and conflicts (Holt 2004; Maclaran et al. 2007). This study looks at Chinese brands, and perhaps more precisely a brand that defines itself in relation to Chinese historical and cultural resources, in a global branding context to investigate the possibility and process of brand development in the global marketplace.

Brands are symbolic forms that the symbolic meanings of brands come from what the world has been understood by the various brand actors, such as brand owners, consumers, popular culture (e.g., fashion culture) and etc. Fashion operates as a social and symbolic system that associates the people, networks and institutions, and conveys and denotes the meanings of branded products through production and consumption (Blaszczyk 2007; Crane 2000; Kawamura 2005). The meaning flow of branded products that circulates from a culturally constituted world to consumer goods and to individuals is produced by consumers and producers through fashion systems and rituals and social activities (McCracken 1986; Thompson and Haytko 1997). Accordingly, fashion as a system produces brands’ cultural meanings (McCracken 1986) as it is seen as the second nature of human life because of its great contribution, of its creativity and innovations and cultural meaning creation (e.g. Blaszczyk 2007).

The case of Shanghai Tang emerged from an online and e-mail survey investigating Chinese brand development and, in conjunction with this, making historical Chinese culture fashionable around the world. Moisander and Valtonen (2006) contend that the use of cultural approaches to study marketing research offer cultural meanings, such as cultural narratives and myths, that help consumers to understand their everyday life. The narrative involves people telling their experiences, or the stories of people who understand the society. In this sense, I adopt a cultural approach to study culture and cultural practice in the marketplace and take brands as cultural artefacts, understanding the people who work for brands as cultural actors and moreover investigation how they make sense of their daily life through brands, and further, how they tell stories about brands in their lives (e.g. Cayla and Arnould 2008). The people who work for brands include many persons (e.g. Holt, 2004), but this case study mainly focuses on consumers, managerial workers and the media related to the brand.

Further, two-decades more studies on symbolic production and consumption mainly examine how to take from semiotic and literary critical theories to interpret “the symbolic meanings, cultural ideals, and ideological inducements encoded in popular culture texts and the rhetorical tactics that are used to make these ideological appeals compelling” (Arnould and Thompson 2005; p.875). As such, its studies focus on the critical arguments about “sign domination” and “sign experimentation”. In symbolic
production and consumption paradigm, sign domination refers to relying on the social structure to decode meanings of brands, historical and fashion codes while sign experimentation refers to feeling free to decode their meanings (Murray, 2002). “Sign domination” provides a structuralist perspective whereas “sign experimentation” depends on a psychological vantage.

Many theorists (Murray 2002; Thompson and Haytko 1997) attach great importance to the agency-structure dialectic. I agree with Murray’s general conclusion (2002) about Thompson and Haytko’s project (1997), which, he argues, contributes more to a psychological perspective, and less to a structuralist analysis, though it is unclear what he means to imply by the statement “the tension between sign experimentation and sign domination was used as an orienting standpoint for the analyses of the verbatim text” (Murray 2002; p.482). In response, I propose a socio-cognitive approach. This is essentially to combine structure and agency in an effort to examine transformation within fashion systems and thereby explore the tension between sign-domination and sign-experimentation using the Chinese context of brand development and symbolic production and consumption as my primary lens. In other words, this study examines how the meanings of fashion and historical codes and brands have been interpreted by managerial workers, consumers and relate media through the Case study of Shanghai Tang.

This study investigates how a famous global fashion brand, Shanghai Tang, currently controlled by a Swiss luxury brand maker, re-configures the historical and traditional Chinese culture with global fashion resources and insights to develop and manage a global “Chinese” brand. Here, the “Chinese” represents a culture beyond local and regional boundaries and represents a modern Chinese lifestyle, if not aspects of an imagined China. Through discourses of Shanghai Tang’s global consumers, managerial workers, and the media, this case study elaborates how the western fashion maker Shanghai Tang places its branding in the service of promoting and developing modern, perhaps imagined, Chinese lifestyle across the globe. Thus, the study of Shanghai Tang spotlights historical and traditional Chinese cultural resources paired with global fashion systems, which have the potential to develop a global Chinese brand. In other words, historical and traditional Chinese cultural resources are packaged with global fashion systems into an international branding context that takes advantage of symbolic and aesthetic production and consumption and identity projections within global brand cultures.

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ROUNDTABLE SESSION
TRANSFORMATIVE CONSUMER RESEARCH: Is TCR Flourishing or Perishing in the Asia Pacific Region?
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Paul Ballantine, University of Canterbury, New Zealand
Lisa Cavanaugh, University of Southern California
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Michal Ann Strahilevitz, Golden Gate University

This roundtable has been proposed to extend the role of Transformative Consumer Research (TCR) outside of North America and Europe where the majority of the TCR work has been carried out. We look to see how TCR can be planned, conducted and disseminated in an effective way, despite the cultural, sociological and political differences experienced by many researchers based in the Asia Pacific region. Former ACR president David Glen Mick called for greater consumer research on transforming the lives of consumers (Mick 2006). This roundtable has been proposed to determine what can be done to best address the call made by Prof. Mick by drawing together researchers to share ideas and experiences. The roundtable will follow on from the very well attended TCR Roundtable at E-ACR, Milan (Veer and Hunt 2008); the Roundtable at E-ACR, London (Veer and Austin 2010) and the Prosocial roundtable held at ACR, Jacksonville (Strahilevitz 2010). The proposed roundtable will focus on the core principles of TCR and how they are aligned or not aligned with the ideological, sociological, political and economic climate in China, India and other AP countries. We will discuss the obstacles or issues that are specific to TCR researchers in the region, and how TCR projects can benefit from shared knowledge from our colleagues based in other parts of the world. To meet this end, the panel for the proposed roundtable consists of experienced and emerging TCR researchers from all over the world.

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Information Privacy Concerns: A Review of Research Issues and Conceptual Models

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EXTENDED ABSTRACT
The majority of information privacy research has focused on understanding people's information privacy concerns caused by organizations' information privacy practices, while the issue of information privacy has been approached from many perspectives and across many disciplines such as law, public policy, marketing, organizational behavior, and information systems. Increasingly complex research designs and methods have expanded the knowledge base about information privacy concern, its antecedents (e.g., personality attributes, environmental factors), and its outcomes (e.g., intention to disclose information). Overall, however, the theoretical base is still quite fragmented, and few empirical tests have been conducted. It could be argued that the research stream is still in its infancy and that much work lies ahead as researchers examine the complex web of relationships in the information privacy domain (Smith et al., 1996).

Therefore, the objective of this paper is to summarize what have been done in the literature of information privacy concerns, and present future research models. The body of this paper is structured into four sections. Section 2 investigates the theoretical underpinning of information privacy, and presents research frameworks for information privacy concerns. We provide a systematic review of Altman's (1975) and Westin’s (1967) theory of privacy, and then summarize the fundamentals of these theories. Altman's (1975) theory of privacy focuses on privacy as a process of regulating levels of social interaction, whereas Westin’s (1967) theory focuses on the states (types) and functions of privacy. These two independent, well-supported theories share many things in common, suggesting that they provide a reasonable foundation for understanding the fundamentals of privacy as a psychological concept. Building upon our review of the privacy theories, we present two frameworks for studying information privacy concerns, one treating privacy concern as a general personal attitude/ disposition, the other as a process variable.

Section 3 focuses on consumer information privacy concerns. Studies on consumer privacy draw extensively on the theories of justice. They have focused on investigating the relationship between consumer information privacy concerns and fair information practices (FTPs). In this section, we conduct our review of the consumer privacy literature along two lines -- instrument/scale development and existing research models. While all the reviewed studies on instrument/ scale development regard consumers' concern for information privacy as a general attitude or personal disposition, they have different focuses. CFIP (concern for information privacy) and its extensions focus on organizations' responsibilities for the proper handling of customer information. In contrast, IUIPC (Internet users' information privacy concerns) emphasizes individuals' perception of fairness/justice in the context of information privacy. We conclude that to expand the knowledge base of information privacy domain, more research efforts are needed in the development of scales for measuring information privacy concerns. Two commonly used research models are also reviewed, and directions for future research are provided.

Section 4 focuses on employee information privacy concerns. The literature on employee privacy mainly deals with two issues: 1) organizational practices of collection, storage, and use of personal information, with or without the employee's consent or knowledge, and 2) electronic performance monitoring (EPM). The main premise underlying such studies is that organizations that act in a procedurally just manner will evoke fewer negative reactions from individuals than organizations that do not act in a procedurally just manner. We also point out some avenues of future research. For example, an instrument to measure employees’ concerns for information privacy should be developed. Future researchers may also investigate the relationship between security behaviors and employees' information privacy concerns.

The final section explores the relationship between privacy concerns and interface design, and multimedia privacy. Few studies have investigated the relationship between privacy concerns and interface design. We provide a critique of the current studies and suggest some possible topics for future research. Some areas unique to the specific nature of multimedia data are worthy of attention from scholars studying information privacy. For example, the use of multimedia brings about new forms of information. According to Adam (1999), multimedia presents information in three forms: text (textual information), audio (verbal information), and video (visual information). How and to what extent these forms of information are associated with users’ privacy concerns, are research questions yet to be addressed.

REFERENCES
Domains of Privacy and Hospitality in Arab Gulf Homes
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EXTENDED ABSTRACT
Cultural and symbolic meanings of spaces within homes have been extensively studied in the West (e.g., Becker 1977; Bryson 2010; Duncan 1996; Gallagher 2006; Garber 2000; Kron 1983; Marcus 1995; Munro and Madigan 1999; Pink 2004; Taylor 1999). Little comparable work has been done in Arab-Islamic societies. Homes have been the locus of adaptation in Muslim societies for centuries (Campo 1991). The question that begged our attention is how Arab-Islamic houses and their meanings are defined in a modern global era. What remains of their former religious and cultural meanings and what has been altered by global forces and Western lifestyles? In particular, how has an infusion of wealth affected the symbolism and meanings attributed to the domestic space among Qatari? We attempt to answer these questions by focusing on the tension between privacy and hospitality as encoded in Qatari households. Qatar and the Gulf States in general offer a unique context compared to other Arab-Islamic countries for several reasons: 1) Qatar is a society that requires strong adherence to traditional values and social norms, as seen for instance in the head to toe covering of women in black and men in white, 2) Qatars have one of the highest per capita incomes in the world, and 3) Qatars are a minority in their own country due to the dramatic presence of foreigners from both Western and Non-Western cultures (only 16% of Qatari population are Qatari). The latter condition creates a fear of dilution of ethnic identity among locals since there is pressure on them to acculturate to the immigrant rather than the more normal reverse situation.

Our study involved observation and in-depth interviews with twenty four middleclass home-owning Qatari families living in Doha. The interviews discussed the meanings of home, favorite areas of the home, situations in which these spaces are used, usage patterns by other family members, and so forth. Projective exercises included metaphorical descriptions (e.g., “If my home was an animal, it would be…”) and audio and visual elicitation (based on photographs of various areas of the home, taken with informant permission, and audio and video recordings of the interviews and observations).

Interviews and visual data revealed a significant perceived need for privacy by Qatars as encoded and reflected in the architecture, design, and preferred styles of homes. Such a focus on privacy in Qatari homes is to a large extent tied to the perceived need to protect women’s sanctity and keep her body away from strangers’ gaze. In all homes visited, the space designated as private was for the family (husband, wife and children) as well as female visitors. The public or communal area, the majles, was for men and their male visitors. The men’s majles is a cultural symbol of Arab hospitality, pride, and honor. It is seen as an essential part of male hospitality rituals; a space where men entertain and socialize with other men and which should be open at all times.

The evident desire for and emphasis on privacy in Qatari homes seemingly presents a contradiction to the revered hospitality of the Arab Gulf culture. How could hospitality, defined by some as the fundamental openness to the other (Kuokkanen 2003), be of such central value for people whose homes are surrounded by high perimeter walls with strictly secured gates amongst other symbols that sharply separate the private and public domains? To resolve this seeming contradiction we need to go back to the underlying meaning of privacy in Arab-Islamic culture. The notion of privacy in the Arab-Islamic paradigm is largely related to the requirement of modest self-presentation for Muslims in public and particularly women. As such, privacy in the home aims to provide women with the reserve and convenience they need to allow being uncovered and away from the public gaze. Women embody morality and virtue in Arab Islamic culture.

Their respected privacy is instrumental to the honor and reputation of the whole family and clan (Torstrick and Faier 2009). Therefore, the underlying meaning of privacy in the Arab-Islamic culture is respect and not seclusion. It is collectivistic and “public” in nature and does not conflict with the emphasis put on hospitality in Qatari homes. On the contrary, hospitality is another main driver of family and tribal reputation for which women also bear a major responsibility. In addition to gaining reputation by showing generosity (karam in Arabic) in entertaining her women guests, a woman is also expected to help her husband, brothers or father to gain fame and reputation for hospitality in the community by preparing sumptuous food and drinks for their male guests and sometimes by contributing financially to entertain guests in the best possible way not to bring shame and bad reputation to the family.

However, the problematic relationship between emphasized visual and non-visual domains of privacy on one hand and the centrality of hospitality in Qatari society on the other hand is worth discussing in the context of the relationship between the local and the foreigner in Qatar. The de facto integration versus segregation of Qatars and non-Qatari residents of Qatar presents another glaring apparent contradiction to Arab hospitality inasmuch as few non-Qataris are visitors in Qatari homes.

While the skin can be seen as defining cultural boundary between the self and the world (Smith 2003), the Qatari home defines spiritual and cultural boundaries between the family, its privacy, and the Other. The underlying meaning of hospitality is openness and incorporation of the other into the private family domain and self. The sharp physical and symbolic separation of the family private domain from the public sphere can be seen as attempts to reinforce cultural boundaries between the “authentic” and “pure” domestic sphere and the impure contaminated public sphere increasingly dominated by the presence of foreigners or the “Other”. In line with Shove (2003), fumigating and perfuming the home seems to provide local Gulf people with powerful symbolic means for imposing ethnic boundaries between them and ‘invading’ foreigners, as well as creating a positive good smelling ambiance for guests.
As the inflection point of intimate contact between host and guest, self and other, local and global, Qatari and non-Qatari, and friend and stranger, both hospitality rituals and the privacy ethos define and encode the relationship between Qatar’s minority hosts who are threatened by a loss of identity and their majority guests who remain strangers despite their numeric dominance. With its more collectivist orientation and strong gendered protectionism, the gulf may place more emphasis on both constructs than other cultures and may enact them in culture-specific ways, but the same constructs can be found in homes elsewhere. Contemporary cultures must decide how to work out the balance of privacy and hospitality.

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Is Personalized Communication Superior? The Effectiveness of Personalization and the Role of Consumers’ Characteristics

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ABSTRACT

Personalized communication has become a very popular marketing strategy, but the research on its effectiveness is still limited. This study examined the effectiveness of personalized digital newsletters in terms of increased attention, evaluation, attitude, and intention. Participants \( N = 124 \) were randomly exposed to one of two experimental conditions: generic or personalized. The personalized message was not found to be more persuasive than the generic message. The effects were moderated by individuals’ need for cognition and privacy concerns. Theoretical and practical implications are discussed.

Technology developments have not only made customer-driven communication possible, but also widespread. Nowadays, companies possess different tools and strategies that enable them to address their customers personally. One prominent strategy is that of personalization. Although the term personalization covers a variety of concepts (Vesanen 2007), the idea behind them is the same, namely to create a message referring to a receiver’s self (e.g., Wheeler, and Bizer 2000).

According to Jupiter Research (2007), nowadays personalization is broadly utilized. There is paucity in research on the effects of personalized marketing communication though. Some authors have proven personalized communication to enhance attention and elaboration (Tam and Ho 2005), lead to a more positive attitude (Kalyanaraman and Sundar 2006), and increase response rate (Ansari and Mela 2003). Other studies, however, have not managed to show positive effects of personalization (e.g., Bull, Kreuter, and Scharff 1999). The reason for these inconsistent findings can be that many studies have compared personalized marketing communication with a control condition with no message (Dijkstra 2008). Moreover, the role of personal factors has not been studied enough (Ho, Davern, and Tam 2008). Therefore, this study intended to compare generic marketing communication with personalized marketing communication, and investigate the moderating role of consumers’ characteristics.

PERSONALIZED COMMUNICATION

Personalization is a (marketing) communication strategy, which aims to make the message more meaningful and thus persuasive. This is being done by incorporating personalization cues in a general text (Dijkstra 2005). Personalization cues are recognizable aspects of a person, such as a name, hometown, customer program. Personalization is often used within the context of web-based communication, for instance, in personalized web pages, digital newsletters, and e-commerce.

Tactics of personalization. Personalization cues may be categorized in three personalization strategies distinguished be Hawkins et al. (2008). The first strategy is identification. Examples of identification cues are: a name, personal pictures, or the recognition of the recipient’s birthday. The second way of personalizing a message is to raise the expectation that the message is customized by including an overt claim of customization: “This offer is just for you!” The last possibility to personalize a message is to add a meaningful context to it. Contextualization is done by referring, for example, to the recipient’s role as a student, or to his or her hometown.

Mechanism of personalization. A theoretical perspective that can explain the effectiveness of personalization is based on a theory of self; Personalized communication includes information that can be recognized as personal, such as name. Therefore, it refers to the individual’s self. People are cognitively sensitive to such information (Cherry, 1953); therefore, personalized cues activate self-referencing process. This means that both the cues and the content of the personalized message are processed in the context of self (Dijkstra 2008), which makes the message personally relevant. Therefore, based on the elaboration likelihood model (Petty and Cacioppo 1979), people should process personalized communication via the central route. This means that we can expect individuals to pay more attention to and better memorize the communication (Rogers, Kuiper, and Kirker 1997). Personalized communication should also lead to more cognitive activity, and be able to exert more influence on behavior (Hunt and McDaniel 1993) by impacting attitude certainty and strengthening the attitude-behavior relationship, which makes influencing individuals more likely (Petty and Briñol 2008).

MODERATING FACTORS

Privacy concerns. The reason why some researchers have not found personalization to be effective may be that consumers are becoming more worried about their privacy (Langheinrich et al. 1999). Consumers’ feeling that they are loosing control over their privacy (Nowak and Phelps 1997) may cause resistance towards sharing their individual information (Rubini 2001), and attentiveness to such information being used. Therefore, we expected personalization to be less effective among individuals concerned with privacy.

Consumers’ need for uniqueness. Individuals pursue to maintain a sense of being special (Snyder 1992), and derive satisfaction from the perception that they are different (Simonson and Nowlis 2000). Personalized communication acknowledges the individuality of each recipient, which makes people feel unique (Kalyanaraman and Sundar 2006). Therefore, personalization may be more effective among individuals with a high need for uniqueness.

Need for cognition. Need for cognition, a personal trait which reflects the extent to which individuals engage in and enjoy effortful cognitive activities (Cacioppo, Petty, and Morris 1983), may moderate personalization effectiveness by influencing the depth of information processing (Tom and Ho
2005). Ho et al. (2008) found that individuals with a higher need for cognition prefer more personalized content. However, individuals with low need for cognition are more sensitive to peripheral cues (Haugtvedt et al. 1992; Cacioppo, et al. 1986) as they are less motivated to elaborate (Bosnjak, Galesic, and Tuten 2007). Because personalization does not change the content, but adds personal cues only, we hypothesized that lower need for cognition would enhance the persuasive effect of personalized messages.

METHOD

Participants

Our predictions were tested in an experiment. The sample consisted of Dutch undergraduate students (N = 124, 74.2% female), M_{age} = 19.56, SD = 1.75 who were voluntary members of an existing student survey panel. Participants were not compensated for their participation, but they were encouraged to take part in the study with the incentive of collecting an additional ECTS-credit.

Materials

E-mail newsletters that advertised the University Sport Center (USC) served as the stimulus material. The newsletters were developed on the basis of the original USC newsletter. They were similar in length and layout, and encompassed information on sports, locations, and prices at USC. Two conditions of the newsletter were created: generic, which did not include any personalization, and personalized, in which identification, raising expectation, and contextualization were combined.

The newsletters used in the two conditions were identical except for the condition-specific features. The generic version of the newsletter included the information about USC, as well as neutral pictures of the sport center. In the personalized version of the newsletter, the recipient’s first name was mentioned three times, the statement: “This letter was created especially for you!” was included, and personal background variables were taken into account: It included pictures of the USC presenting women (for female students) or men (for male student), as well as textual cues that referred to the fact that they were students at the department of Communication Science. The newsletters had been discussed during two focus groups (N = 10) and pretested among another group of Dutch students (N = 64).

Procedure

Participants were randomly exposed to one of the following versions of a newsletter: generic (n = 61), personalized (n = 63). There were no differences between participants in these two conditions in terms of demographic variables (i.e., age, gender). Participants received a link to the online survey. First, they were asked to respond to a few general questions (e.g., about their gender or name). Next, they did a filler task. After that, they were exposed to one of the newsletters. Finally, participants were asked to fill in the survey.

Measures

In all conditions, the same questions were asked. The first part of the questionnaire included demographic questions. The second part measured dependent variables: attention, attitude, evaluation, and intention as well as a manipulation check. The third part of the questionnaire measured moderating variables: need for cognition, consumers’ need for uniqueness, and privacy concerns. Finally, in the last part of the questionnaire, additional demographic questions were asked.

Responses to the message. Attention was measured by the question “How thorough did you read the newsletter?” with four possible answers: not at all, only scanned, read it partially, and read it all. Evaluation of the newsletter was measured with a grade as used within the university (1 = low, 10 = high). Attitudes towards the message, as well as attitudes towards USC, were measured via respectively 10 and five five-point semantic differentials (e.g., bad quality-good quality, not nice-nice, a = .90, a = .92, respectively). Intention was measured with three questions: “How probable is that you will contact USC?”, “How probable is that you will join USC?” and “How probable is that you will talk to your friends about USC?” answered on a scale anchored 1 (very improbable) to 5 (very probable).

Person-related variables. Constructs were measured with multi-item Likert scales anchored by 1 (totally disagree) to 5 (totally agree). Individuals’ need for cognition was measured by selecting the five items with the highest factor loadings and item-total correlations from the 34-item Need for Cognition Scale (Cacioppo and Petty 1982). These five items scored high in a Dutch sample as well; however, an additional sixth item was added based on item-total correlations in this sample (Pieters, Verplanken, and Modde 1987). Example items are: “Thinking is not my idea of fun (reversed)” and “I would prefer complex to simple problems” (a = .76). Respondents’ need for uniqueness (CNFU) was measured by selecting nine items with the highest factor loadings from the 12-item Consumers’ Need for Uniqueness scale (Ruvio, Shoam, and Makovec Brenčič 2008). An example of an item is: “I often combine my possessions in such a way that I create a personal image that cannot be duplicated” (a = .84). To measure privacy concern (PC), the three-item Global Information Privacy Concern scale was used (Malhotra, Kim, and Agarwal 2004). An example is: “I am concerned about threats to my personal privacy today” (a = .80).

Manipulation check. Awareness of personalization was assessed via a 10-item scale answered on a five-point Likert scale, for example, “Could you identify yourself with the group to which the newsletter targeted?” and “Did you have an impression of being personally addressed in the newsletter” (a = .85).

RESULTS

The manipulation check showed that our manipulation was successful, t(122) = -4.27, p < .001. Personalized condition was perceived as more personal (M = 3.45, SD = .77) than the generic condition (M = 2.90, SD = .66). However, we found only one significant main effect. Personalization condition influenced attention, \( \chi^2(3, N = 124) = 10.78, p = .013 \) (Figure 1). Participants in the generic condition more often read the newsletter partially (N = 21, 34.4%) than those in the personalized condition (N = 12, 19%). However, participants in the personalized condition
Figure 1. Bar chart presenting the main effect of condition on attention

Table 1.  
Main Effects of the Condition on the Dependent Variables

<table>
<thead>
<tr>
<th>Variable</th>
<th>Condition</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>t</th>
<th>p</th>
</tr>
</thead>
<tbody>
<tr>
<td>Evaluation (message)</td>
<td>Generic</td>
<td>6.31</td>
<td>1.18</td>
<td>-.369</td>
<td>.713</td>
</tr>
<tr>
<td></td>
<td>Personalized</td>
<td>6.41</td>
<td>1.80</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Attitude (message)</td>
<td>Generic</td>
<td>3.26</td>
<td>.69</td>
<td>.024</td>
<td>.981</td>
</tr>
<tr>
<td></td>
<td>Personalized</td>
<td>3.25</td>
<td>.88</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Attitude (USC)</td>
<td>Generic</td>
<td>3.63</td>
<td>.68</td>
<td>-.495</td>
<td>.621</td>
</tr>
<tr>
<td></td>
<td>Personalized</td>
<td>3.70</td>
<td>.79</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Intention (contact)</td>
<td>Generic</td>
<td>2.62</td>
<td>1.40</td>
<td>.803</td>
<td>.424</td>
</tr>
<tr>
<td></td>
<td>Personalized</td>
<td>2.43</td>
<td>1.29</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Intention (join)</td>
<td>Generic</td>
<td>2.58</td>
<td>1.34</td>
<td>.444</td>
<td>.658</td>
</tr>
<tr>
<td></td>
<td>Personalized</td>
<td>2.48</td>
<td>1.33</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Intention (talk)</td>
<td>Generic</td>
<td>3.02</td>
<td>1.28</td>
<td>.002</td>
<td>.998</td>
</tr>
<tr>
<td></td>
<td>Personalized</td>
<td>3.02</td>
<td>1.13</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

more often read the whole newsletter (N = 14, 22.2%) than those in the generic condition (N = 4, 6.6%).

We did not find any other main effect of condition on our dependent variables (Table 1). Therefore, we could not support our expectation that personalized communication leads to stronger persuasion effects than generic communication.

To test moderating role of need for cognition, consumers' need for uniqueness, and privacy concerns, regression analysis was performed with the condition as an independent variable (dummy coded), standardized consumers’ characteristics, and the interaction between the condition and the consumers' characteristics as predictors, and respectively, standardized dependent variables (Table 2). To assess the differences between conditions among individuals with low (-1 SD) and high (+1 SD) consumers’ characteristics, analyses of covariance with estimated marginal means were run.

Regression analysis showed that NFC significantly moderated effect of the condition on attention ($\beta = .29$, $t = -2.244$, $p = .027$). The simple slope analysis revealed significance of the slope for the personalized condition ($b = .343$, $p = .010$), but not for the generic condition ($b = .111$, $p = .376$). Individuals with low NFC paid significantly more attention to the personalized condition than to the generic condition, $F(1, 120) = 5.99$, $p = .016$. This supports our expectations that low NFC will strengthen the persuasion effects of personalized communication (Figure 1).
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Table 2. Multiple Regression Models for the Dependent Variables

<table>
<thead>
<tr>
<th>Variable</th>
<th>Attention</th>
<th>Evaluation message</th>
<th>Attitude message</th>
<th>Attitude USC</th>
<th>Intention contact</th>
<th>Intention join</th>
<th>Intention talk</th>
</tr>
</thead>
<tbody>
<tr>
<td>Condition</td>
<td>.099</td>
<td>.003</td>
<td>-.031</td>
<td>.037</td>
<td>-.105</td>
<td>-.085</td>
<td>-.016</td>
</tr>
<tr>
<td>CNFU</td>
<td>.153</td>
<td>-.148</td>
<td>-.139</td>
<td>-.098</td>
<td>-.235</td>
<td>-.154</td>
<td>-.076</td>
</tr>
<tr>
<td>NFC</td>
<td>.102</td>
<td>.006</td>
<td>-.042</td>
<td>-.010</td>
<td>.113</td>
<td>.096</td>
<td>-.014</td>
</tr>
<tr>
<td>PC</td>
<td>.081</td>
<td>-.012</td>
<td>-.120</td>
<td>-.035</td>
<td>-.134</td>
<td>-.214</td>
<td>-.125</td>
</tr>
<tr>
<td>Cond*CNFU</td>
<td>-.077</td>
<td>.100</td>
<td>.153</td>
<td>-.164</td>
<td>.111</td>
<td>.064</td>
<td>.098</td>
</tr>
<tr>
<td>Cond*NFC</td>
<td>-.290*</td>
<td>.122</td>
<td>.081</td>
<td>.026</td>
<td>-.058</td>
<td>-.052</td>
<td>-.001</td>
</tr>
<tr>
<td>Cond*PC</td>
<td>-.191</td>
<td>-.273†</td>
<td>-.150</td>
<td>-.040</td>
<td>.024</td>
<td>.062</td>
<td>.066</td>
</tr>
</tbody>
</table>

Note. Coefficients are standardized regressions coefficients (betas)
†p < .10, *p < .05

Figure 2. Condition x Need for Cognition Interaction On Attention

![Figure 2](image1)

Figure 3. Condition X Privacy Concerns Interaction On Evaluation (Message)

![Figure 3](image2)
Interaction analysis also showed the moderating role of PC on evaluation of the newsletter (β = -.273, t = -1.968, p = .051). The simple slope analysis revealed that the slope for the personalized condition (b = -.339, p = .004) was significant, but the slope for the generic condition was not (b = .002, p = .988). Analysis of covariance did not reveal significant differences between the conditions among individuals with either high or low PC.

DISCUSSION

The aim of this study was to examine the persuasiveness of different strategies of personalization. Therefore, we developed two versions of an advertising newsletter: generic and personalized. In addition, the moderating role of consumers’ characteristics was studied. We did not find personalized communication to be more persuasive than generic communication. Moreover, it was only slightly moderated by personal factors, namely by the need for cognition and privacy concerns. As we expected, individuals with a low need for cognition paid more attention to the personalized condition than to the generic condition. In accordance with our expectations, we found that privacy concerns inhibit the persuasion effects of personalization.

An explanation for the overall lack of differences between conditions might be that personalization cues attract attention, and instead of increasing the relevance of the message, they awake the awareness of a persuasion trial (Petty and Cacioppo 1986). This may make individuals more careful, and thus impede persuasion.

A plausible explanation for the lack of results is that individuals might not have expected commercial e-mails from the university. According to Bennett White, Zahay, Thorbjønsen (2008), personalized and not justified personalized e-mail communication may lead to reactance. As a result consumers are less willing to respond favorably to the offer. Moreover, such communication may not be perceived as honest, which can decrease the general attitude towards the source (de Pechpeyrou and Desmet 2007).

Concerning the consumers’ characteristics, the moderating role of the need for cognition seems to support an idea that personalization does not work via the central, but the peripheral route of processing. Personalization cues might have functioned as heuristics, which is possible because they neither change the quality of the content itself, nor provide any persuasive information (Dijkstra 2008). It seems that they attracted attention from individuals with a low need for cognition who are usually more interested in peripheral cues (Haugtvedt et al. 1992; Cacioppo, et al. 1986). The moderating role of privacy concerns proved that personalization should be carefully applied because it may lead to negative response of individuals concerned about their privacy.

The current study systematically compared personalized and generic marketing communication while taking consumers’ characteristics into account. It showed that personalized communication does not always work, and that the dose of personalization does not explain its ineffectiveness, as it was suggested earlier (Dijkstra 2008). The inclusion of personal factors learnt that consumers who care about their privacy may respond negatively to personalized communication, but it can attract attention of people with a low need for cognition, which is often the mind-set of Internet users.

The present study has several limitations that should be considered while interpreting the results, but can also be regarded as suggestions for future research. Our study employed a young and homogenous sample of university students who were forcefully exposed to the communication. The brand was known to the receivers, so they might have made some perceptual associations with it. Participants' feeling of familiarity towards the university and university sport center may have led to ambivalence, as shown by Brooks and Highhouse (2006).

Since information processing is the theoretical perspective used to explain the effectiveness of personalization, the role of arguments' strength, perceived relevance of the message, and perceived involvement with the topic could be included. As the inclusion of need for cognition showed, more focus should be placed both on the mechanism of personalization and on moderators of personalization’s efficacy. Our findings have practical implications for the e-mail marketing. It appears that personalizing messages—by including personalization cues—does not make them more persuasive. Therefore, companies aiming to create more effective communication may want to consider other strategies than personalization.

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The Values Of Senior Consumers: A Multinational Analysis
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CONCEPTUALIZATION
Despite the megatrend that is global population aging, older consumers are still relatively neglected by academics and practitioners (Niemelä-Nyrhinen 2007). This situation is particularly true outside the USA, where knowledge pertaining to senior consumers lags behind other important segments (Kohlbacher and Chéron 2011). Similarly, business has neglected the importance of values, despite their influence on a range of consumer behaviors (Kahle and Kennedy 1988). Moreover, age differences in values have been identified (Gurel-Atay et al. 2010). Understanding of the impact of age and values on the consumer behavior of a particular cohort can therefore be powerful for market planning, product development, demand forecasting, and innovation (Muller, Kahle and Chéron 1992). With this in mind, this paper aims to make a contribution to knowledge by analyzing and comparing the values of older consumers across four nations outside North America.

Values literature endorses the link between society and the individual (Beatty, Homer, and Kahle 1998), where it is generally accepted that human value systems are a result of cultural socialization and heritage, and personal experience resulting from economic conditions, historical and political events, and specific deprivations suffered by differing age cohorts (Crosby, Gill and Lee 1984). The four nations selected are Japan, Germany, UK, and Hungary, all of which appear in the top 20 of every international league table that considers population aging, and all have experienced very different and important political and economic events during the life-times of these older adults.

METHOD
The study utilized questionnaires and contained the List of Values (LOV) instrument, which was chosen because it is widely employed in consumer research, and has previously been used in a number of cross-cultural studies. LOV comprises eight values: sense of belonging, warm relationships with others, self-fulfillment, being well respected, fun and enjoyment of life, security, self-respect, and a sense of accomplishment. Respondents were asked to rate each value on a 9-point scale. The lower age parameter of 50 was selected on the basis that this is the starting point for many age-related services offered to older consumers (e.g., SilverSurfers.net), and questionnaires were sent to representative samples in Japan, Germany, and the UK. Piloting in Hungary demonstrated the difficulties of self-completion among many older Hungarian adults, and consequently a team of trained researchers administered the questionnaire face-to-face. The total sample comprised 1368 adults (mean age 64 years).

MAJOR FINDINGS
Security emerged as the most important value to the sample as a whole, followed by warm relationships with others and then self-respect. Being well respected is only the seventh most important value, while a sense of belonging is the least important. No relationship was found between age and the importance placed on self-respect, being well respected, a sense of accomplishment, or fun and enjoyment. In contrast, negative correlations were found with age and security, self-fulfillment, warm relationships and a sense of belonging, indicating that as age increases the relative importance placed on these values decreases.

Turning to differences between the nations, self-respect is the most important value for German and British adults, while this is ranked only fourth and sixth by Hungarians and Japanese respectively. Indeed, the Japanese place significantly less importance on this value than any other nation. Similarly, Hungarians place significantly more importance on security, a sense of belonging, and warm relationships. Conversely, older Germans placed significantly less relative importance on self-fulfillment. A sense of accomplishment is more highly valued by older UK adults. Finally, older Germans place significantly more and older Hungarians significantly less importance on fun and enjoyment than do the British and Japanese.

That security emerged as the most important value for the sample as a whole was expected, given that previous research suggests that people place more emphasis on the need to feel safe as they age (Dychtwald and Flower 1989). The least important value – a sense of belonging – is also unsurprising; given that it refers to being needed by others (Kahle 1996). Indeed, many of these seniors are now empty nesters, and a new found freedom from the responsibility of others is perhaps a welcome change that would not be relinquished lightly. The research presented here has several implications for marketing and advertising practitioners. On a global scale, product and service development, and the positioning and advertising strategies used to target older consumers are more likely to be successful if security, warm relationships with others, and self-respect are kept in focus. Conversely, those values rated lowest (being well respected, and a sense of belonging) are least likely to be successful, thus advertising strategies based on the need for approval of other people may be a mistake. Findings also suggest that while some advertising strategies may be suitable for a global senior segment (such as those positioned on security) there are significant differences between the nationalities, thus a ‘one-size-fits-all’ approach will not always be appropriate.

Overall, then, the study lends support to the usefulness of values as a way of targeting senior consumers across the globe. In the same way as a youth segment represents an example of a universal global common segment (Kjeldgaard and Askegaard 2006), there is growing evidence that a senior global market exists (Barak 2009) and this study lends further support to that. That is not to suggest that older adults can be treated as an undifferentiated monolith. Indeed, the differences between the nations suggest that local differences still need to be considered in advertising and positioning strategies. Nevertheless, it provides a starting point for marketers wishing to target this growing and important global phenomenon that is the senior market.
There is a growing sense of respectability for fashion as a topic of study, which has resulted from the publication of a variety of ground-breaking texts that have aimed to place the study of fashion alongside other phenomena of popular culture such as theater, journalism, advertising, and film (Breward 2003). Moreover, it has been supported that fashion theorizing illustrates and contributes largely to theories of consumption (Rassuli and Hollander 1986).

Subscribing therefore to the notion that fashion “now occupies the centre ground in popular understandings of modern culture...and defines the tenor of urban life like no other visual medium” (Breward 2003), we attempt to examine how consumers read fashion in relation to time.

Furthermore, and since the interpretation of the past is almost exclusively done by historians and art historians, the consumers’ interpretations of the past, present, and future in relation to fashion and how this reflects on their views of the existence and consumption of fashion through time will be explored here for the first time. In addition, and since studies in fashion have not focused on the life of fashion products once they have left the sphere of production and consumption (Breward 2003), we attempt to shed light into what consumers do with fashion and its imagery once it has left these realms.

**TIME AND FASHION**

According to Kroeker (1952), fashion expresses style and culture and has to be studied throughout time and space. For Simmel (1997) “fashion time” is understood through the spatial and time dimension of fashion. He maintains that fashion does not happen at a fixed point in time or space. And that is why, now more than ever, the meaning of fashion has a strong, even dominant sense of time’s passage (Carter 2003).

Time can be viewed as not just the arithmetical accumulation of moments, but as the medium in which human history unfolds: time is a socio-cultural concept which expresses a person’s situation. “Time is itself expressed or reflected in dress: traditional, anti-fashion adornment is a model of time as continuity (the maintenance of the status quo) and fashion is a model of time as change” (Polhemus and Procter 1978, p.13).

Thus, the fashion process is about the creation of oppositions through time: that which is perceived as current and that which is perceived as past” (Niessen 2003). As Lipovetsky (1994) argues, fashion is socially reproductive and helps us in being flexible and responsive to change in a fast changing world. “Fashion socializes human beings to change and prepares them for perceptual recycling”. While, on the other hand, fashion provides the means and milieu for resistance and opposition to that same process (Evans 2003). Hence, one of the key elements of fashion is the concept of change over time (Welters and Liliebothun 2007).

**THE STUDY**

In order to explore how consumers read fashion in relation to time, in-depth interviewing has been selected as our data collection method, since it is concerned with how participants actively create meaning (Silverman, 2001, Jones 2004). We conducted eleven in-depth interviews in the U.K. with female participants of the working and middle class within the age range of twenty to fifty years old, as “often fashion has a feminine connotation and is linked to young women” (Welters and Liliebothun 2007, p.x). Even though we are not denying the importance of the male perspective, we chose to concentrate on female participants because female fashion incorporates novelty and change throughout time, while male styles remain relatively static (Kawamura 2005).

In an attempt to use stimuli that matched our participants’ spatial, historical and cultural background, fifteen fashion pictures were selected based on their representation of different periods of time in the U.K. The concepts emerged were analyzed using the interpretive thematic analysis technique (Spiggle 1994).

**FINDINGS**

Initial findings of the data analysis revealed the following main themes:

**Theme I: Consumers reconstruct time in general and their lives’ timeline in particular, through the reading of fashion.**

Despite the other elements present in the pictures such as furniture, fashion seemed to be the most prominent element that the informants noticed and through its interpretation reconstructed a sense of time and timeline in their minds. More specifically, our findings refer us to Bergson’s theory of time (1999), in which he proposes a distinction between clock time and lived time. According to Bergson (1999), public clock time is a counterfeit representation of lived experience produced by the conversion of temporal experiences into discrete and measurable instantaneous moments. In contrast, real lived time is linked with our consciousness and refers to the continuous progress of the past that spills into the future and grows as it advances, leaving its mark on all things.

Thus, and in relation to our participants’ responses, we observe that the fashion picture captures one moment in time; that is the clock time in which the picture was taken. The reader then by looking and thinking about this picture tries to reconstruct the lived experience associated with that moment in time. In other words, participants engage themselves in the re-construction of the entire lifeworlds of the people featured in the picture based on a snapshot of these people’s lives that was captured in the picture long time ago.

It was also observed that participants, through the reading of fashion pictures, made references to their own personal and past experiences, and as a result used the stimulus to reconstruct their own lives’ timeline, in addition to those of the people featured in the pictures. Hence, the
pictures gave them a starting point to talk about their own pictures that came to their mind, and how these snapshots of clock time have captured so many of their memories; that is of their actual lived time.

Theme II: Consumers view fashion as an historical record.

Based on our respondents, the authenticity of a time period is reflected in fashion. Fashion best incorporates the most prominent historical indications of its time period, such as lifestyle, customs, ideas and values. Moreover, associations regarding the historical events and social changes seemed to be recovered through reading into the fashion in the stimuli. Thus consumers view fashion as a valuable data source of history in general and of the history of consumption in particular.

IMPLICATIONS

In conclusion, this study explores fashion through time, as time seems to be best able of capturing the changing nature of fashion (Breward, 2003). We therefore, attempt to contribute to a deeper understanding of the way people read fashion pictures, by not only accounting for consumers’ influences based on their lifestyles, reference systems and social forms, but mainly through their everyday understanding of time, temporality and change.

Lastly, and with regards to practical implications, where Evan’s (2003) study on fashion designers reveals that their inspiration and expression of present concerns in their creations comes from images of the past, it is been proposed that the designer who is able to read consumers’ time associations better will create better associations through their designs and hence create a more successful mix.

REFERENCES


Nuptials And Fashion: The Case of The Kabyle Acculturation
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EXTENDED ABSTRACT

In this paper, we propose to decipher how Algerian women use fashion during wedding ceremonies to assert their position in society especially within the Kabyle sub-culture that just opened up to exogamic marriages. Algeria was a former French department (1830-1962) that experienced a socialist regime (until the 1990s) and the construction of a Nationalist Arabo-Islamic collective project as a firm reaction to the French Colonization. The rise of a consumer society is then very recent and challenges social positions, identity projects and gender issues. Within this context, we investigate the Kabyle sub-culture in particular. Kabyle people are a subgroup of a larger ethnic group named Berbers widespread across North of Africa, sharing their own language (Tamzight). Basically, it is a Mediterranean sociolinguistic group that faces a cultural assimilation (Arabic and French) as well as a mutation of its social organization. We propose in this paper to tackle gender issues and fashion consumption showing how aesthetics do shift and convey different identity positions among Kabyle women today.

MARRIAGE AS A SITE FOR IDENTITY NEGOTIATIONS

Marriage “is not and has never been, and cannot be a private issue” (Levi-Strauss, 2002). It is driven by cultural and economic considerations. Then, marriage depends on some objectives that a society might manage to achieve through endogamy or exogamy. In the Kabyle context, starting the 17th century, local assemblies (Djammas) did forbid both women and men to marry people outside their community (endogamy) otherwise they would not be eligible for heritage. This was in order to avoid the dislocation of lands and of the region. By studying the current period of a shift from endogamic to exogamic weddings in Kabyle sub-culture this research aims understanding how fashion consumption mediates Kabyle women’s identity projects.

METHODOLOGY

This paper is part of an ethnographic research on acculturation in Algeria. Authors performed participant observation, interviews and a structural semiotic analysis of past/present wedding pictures (Floch 1990, 1995). One of the authors did attend 15 weddings in Algeria (from preparation to ceremony). Marriages under study represent a “qualitative diversity” (Schwarz, 1990, p 41) rather a representative sample, couples having very diverse backgrounds, being between 23 and 42, living in Kabylie region or in Algiers. We focus here on the results of a structural semiotic approach performed to capture the meaning of hundreds of wedding visuals’ from the 70s until now (Greimas & Courtès, 1986, Floch 1990, 1995).

RESULTS AND DISCUSSION

A semiotic square allows analyzing the relationships and meanings of paired concepts and enriches binary oppositions (Greimas & Courtès 1986, Floch 1990, 1995, Holt and Thompson 2004, Kozinets 2009, Ourahmoune and Nyeck 2008). Drawn from a deep reading of cultural texts on Algeria and the Kabyle culture, as well as observations and interviews, and the analysis of wedding photos, we construct a semiotic square to interpret feminine fashion in kabyle wedding ceremonies and their link with consumers identity projects.

INSIDE vs. OUTSIDE semantic opposition allows capturing the dominant narratives that prevail in the Kabyle culture today.

Being INSIDE the community means valorizing ancestral Mediterranean culture and aesthetic references to the Kabyle and Berber fashion together with the highly French inspired style.

At the opposite, being OUTSIDE the community means valorizing the Other/Exotic, in this case the Arabo-Islamic aesthetics and fashion that were forbidden to Kabyle women until recently. Other regions folkloric outfits, Ottoman Heritage, Moroccan Caftans, Lebanese Make up, Gold Jewels vs. traditional Kabyle silver and coral jewels are then adopted.

The semiotic square is useful enriching and overcoming this binary opposition emphasizing two other signified. Being NOT OUTSIDE which is strictly conforming to Kabyle ethics and aesthetics and negating any resemblance and inspiration from the Arabo-Islamic Algerian culture, which is mainly the position, occupied today by Autonomy seekers (weddings cannot be exogamic in this case and displays only typical Kabyle folklore in terms fashion, music and food during wedding ceremonies). Fashion consumption then stands as a mirror of a minority radical resistance as regard the dominant culture through the display of “natural”, “pure”, “Arab Free” signs.

Finally, Being NOT INSIDE means a renouncement to the Kabyle specificities and the adhesion to the nationalist Arabo-Islamic ideology although people acknowledge their Kabyle origins. This position will mainly concern families that moved to other Algerian regions for decades or have been basically connected at a high level to the political regime. Algerian regimes instituted the Arabo-Islamic identity as a unique source of “Algerianity” (in a Jacobinist manner). In terms consumption and fashion, exogamic weddings become a rule and even though families’ names might be Kabyle, people live themselves as Arabs (highly acculturated) and then exclusive Arabo-Islamic fashion is displayed.

Our research emphasizes that until now most of the mixed marriages are mainly a Kabyle male phenomenon rather than women espousing Arabs. This might be explained by the role of women in Latin cultures as regard identity/ tradition transmission and speaks of the gender asymmetry in this subculture (cf. Bourdieu’s work on masculine domination in the Kabyle context). But, even though women are still less directly involved, new consumptions allow them to participate in the Kabyle/ Arab acculturation process. Especially, analysis of the evolution of kabyle brides’ wear shows how they recently shifted from a double aesthetic...
reference (Kabyle and French styles) to a juxtaposition of references including the valorization of Arabic aesthetics.

The young female generation displays signs of very syncretic references escaping some clichés. But, while doing so, they introduce a new uniformity. All brides displaying the same signs according to scripted sequences representing basically the main ideological forces in Algeria today. Thereby, they do construct a very chameleonic self-identity through consumption. A 5th position within our semiotic square is then discovered through this research and accounts for a “swapping” (Oswald 1999) between INSIDE AND OUTSIDE the community rules. Fashion in the case of a minority in a developing country speaks of the inner desires of women to overcome gender restrictions. Fashion as a “soft” stylistic consumption permits to insert liberator feminine claims in a closed and scripted world. But, while opening the box and entering a multiple identity framework, our respondents seem more able to signify it through fashion signs than explicit/verbal discourse. Kabyle women interviewed adopt a conventional discourse as regard their Kabyle identity and formulate their wish for their relatives to maintain endogamy rules as a priority for the Kabyle identity to be.

This point needs to be addressed by future research therefore to deeply investigate whether fashion consumption stands as a simple stylistic/recreational effect or as a profound sign of gender identity deconstruction within the Kabyle minority in Algeria.

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Service Convenience, Hedonic Benefit, and Self-Efficacy on Consumers’ Continual Usage of Group Buying Service
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EXTENDED ABSTRACT
Group buying, alias team buying or collective bargaining, refers to a consumer buying practice in which consumers aggregate by a homogeneous demand and form an alliance to purchase (Anand and Aron 2003; Kauffman and Wang 2001). Now thanks to the rapid growth of the Internet, group buying websites provide a new buying service to match a larger sum of stranger shoppers into groups so that consumers can purchase a wider variety of products at a lower price than buying alone (Ho et al. 2009; Kauffman et al. 2010). Price-driven factors of group buying participation have been widely discussed in past research (e.g., Anand and Aron 2003; Kauffman et al. 2010). However, to attend group buying, consumers are also concerned with non-monetary offerings such as service convenience and hedonic value. Consumer characteristics such as individual purchasing self-efficacy in obtaining better bargains may play a key role in affecting consumer intention to keep using group buying services.

In group buying, initiators provide explicit information to their members for reference. When members spend less time and effort in making purchase decisions, their perceived decision convenience becomes higher (Berry et al. 2002; Moeller et al. 2009) and would like to stay in group buying. Information richness is viewed as the major antecedent of decision convenience. Information that enables users to clarify ambiguity and enhance understanding of issues in a timely manner is considered rich (Chen et al. 2004). Information richness enhances consumers’ perceived decision convenience through members’ sharing product experiences or transaction information and the interpersonal word-of-mouth helps others to evaluate the quality of service or the potential transaction risk, so as to increase the confidence of the transaction itself (Bansal and Voyer 2000; Brown and Reingen 1987; Sweeney et al. 2008). Therefore,

H1. Decision convenience is positively related to consumer intention to keep using group buying services.
H2. Information richness is positively related to decision convenience.

The accessibility of a service is another key concern to group shopping consumers. The less time and efforts spent in service delivery, the higher access convenience consumers perceive (Berry et al. 2002; Moeller et al. 2009). In group buying, initiators provide services to group members so that consumers need not to shop for products or services themselves. Saving time and efforts, members gain access convenience and enhance the willingness to stay in group buying. Relationship closeness with the initiator and geographic distance are two antecedents of access convenience. Close relationships of group members leads to higher commitment and trust in services (Barnes 1997; Bove and Johnson 2001; Dagger et al. 2009; Guenzi and Pelloni 2004). Service location is also important for convenience-concerned consumers (Berry et al. 2002; Brown 1990; Jones et al. 2003; Moeller et al. 2009). Consumers are more willing to use services with high proximity rather than going to remote areas. Therefore,

H3. Access convenience is positively related to consumer intention to keep using group buying services.
H4. Relationship closeness with the initiator is positively related to access convenience.

H5. Geographic distance is negatively associated with access convenience.

Transaction convenience is crucial for consumers to continue group buying. In group buying, the initiator has to collect all the payments and takes responsibility to deliver the full amount to the supplier (Tsvetovat et al. 2001). For consumers, the less time and efforts spent in a transaction, the more transaction convenience they perceive (Berry et al. 2002; Moeller et al. 2009), and higher intention to stay in group buying. Transaction flexibility (the degree of rule, order, payment, and time flexibility) is considered one major antecedent of transaction convenience to effectuate the transaction in group buying. If the degree of transaction flexibility in group buying is higher, the transaction for consumers is more convenient. Therefore,

H6. Transaction convenience is positively related to consumer intention to keep using group buying services.
H7. Transaction flexibility is positively related to transaction convenience.

Extended from Bandura (1994), the concept of purchasing self-efficacy (PSE) helps explain that people of higher PSE believe they can perform well in purchasing tasks. The major antecedents of PSE are product familiarity and purchasing expertise (Alba and Hutchinson 1987). Product familiarity is the ability for consumers to analyze, differentiate and generate information whereas purchasing expertise is the ability that consumers can make a purchasing behavior successfully. Therefore, it is expected that high PSE contributes less to group buying service usage.

H8. Purchasing self-efficacy is positively related to consumer intention to keep using group buying services.
H9. Product familiarity will be positively related to purchasing self-efficacy.
H10. Purchasing expertise will be positively related to purchasing self-efficacy.

Hedonic value generates from shopping experience and process such as seeking products or bargaining with sellers (Babin et al. 1994). Consumers highly involved in the buying process perceive more enjoyment and have higher desire to stay longer and repurchase (Kim et al. 2007). Adventure/exploration occurs when consumers encounter something novel and interesting, and experience the joy of exploration during shopping (Westbrook and Black 1985). Besides, people tend to treasure the time spent in shopping with friends or family members, and enjoy social activities while shopping (Arnold and Reynolds 2003). The more social interaction, the more hedonic value consumers perceive in the buying process. Therefore,

H11. Hedonic value is positively related to consumer intention to keep using group buying services.
**H12.** Adventure/exploration is positively related to hedonic value.

**H13.** Social interaction is positively related to hedonic value.

**METHOD**
This study employed a survey method to collect data for structural equation model testing. Consumers with group buying experience were considered the potential survey participants and were recruited by (1) a snowballing method using e-mail solicitations via the researchers’ social network and by (2) a convenience sampling via the biggest and most popular online group buying platforms in the researchers’ country. Twelve hundred respondents participated in the survey. A total of 934 valid samples were obtained for further statistical analysis, 36% males and 64% females. The age ranged from 20 to 50, with a majority (76.6%) aged 21 to 30 years old. The largest two groups of sample consisted of college students (43.7%) and government employees (12.4%).

**RESULTS**
The CFA results indicated solid psychometric properties and a good overall fit of the measurement model ($X^2$ df=2.47; RMSEA=.04; NFI=.96; IFI=.96; CFI=.96). The standardized estimates of the hypothesized paths in the structural model, from H1 to H13, were as follows: .201, .796, .676, .487, -.285, .242, .371, .131, .079, .709, .338, .367, and .537. All the hypotheses of the paths were supported.

**CONCLUSIONS**
It is concluded that decision convenience, access convenience, transaction convenience, purchasing self-efficacy, hedonic value have a significant impact on consumers’ intention to keep using group buying services. Past research (e.g., Anand and Aron 2003; Kauffman et al. 2010) stressed more on the price-related factors to explain consumers’ intention to take part in group buying and little studies focused on the non-price factors. We filled this void and examined the factors influencing consumers’ group buying continual intention. Besides, we conceptualized, reviewed, extended and integrated the past literature into our research framework and found that this proposed framework indeed affect consumers’ intention to stay using group buying services. Finally, for suppliers, the results of the present study provide a clear view of consumers’ perspectives of their concerns to continuously using group buying services. For service providers (i.e., group buying initiatives), providing services with service convenience and hedonic value are the essential benefits to recruit members and keep them to stay. For consumers of less purchasing self-efficacy, our results provide the reasons for them to choose appropriate group buying service providers.

**REFERENCES**


Retirement Planning in an Emerging Market: A Cluster Analysis of Chinese Seniors’ Attitudes and Behaviors
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EXTENDED ABSTRACT
Contemporary China presents a fertile ground to study the retirement preparedness, or lack thereof, of the senior population facing challenges in the emerging market. Many retirees face pension arrears due to insufficient funds from former employers. Also, it is generally acknowledged that the currently reformed retirement support system, in which current workers support current retirees, is not sustainable (Cai, Giles, & Meng, 2006). In addition, there is considerable uncertainty as to how well the traditional support from family and children can be expected, given the low fertility rate and increased mobility of adult children.

The low financial assets to income ratio among urban households in China (1.3 in 2002 estimated by Jackson, Nakashima, & Howe, 2009) may suggest seniors’ own financial preparation for retirement is still at its infancy, and also there may have been a lack of access to financial services. However, it is foreseeable that households in China will have more accesses to the financial products and services; also, personal financial planning will experience a fast development in the near future (Liao, Huang, & Yao, 2010). There has been scant research on how Chinese seniors manage their financial matters. The current study aimed to gain better understanding of Chinese seniors’ attitudes and behaviors with respect to provision for their retirement. Particularly, the characteristic variation within the population will be examined. With improved knowledge of financial attitudes and behaviors of different groups of seniors, responses to changes and challenges in the market may be better predicted; and policies and financial services may be better tailored to the needs of specific groups.

METHODS
The data was based on a national sample of the Chinese senior population, aged 60 and over. The data collection took place from June 1, 2005 to June 1, 2006 in 20 provinces and metropolitan areas. Twenty thousand senior householders were randomly selected and structured face-to-face interviews with a questionnaire were utilized. There were 19,964 valid questionnaires returned, resulting in a 99.8% response rate. All interviewers had been trained by The China Research Center on Aging. Each interview lasted approximately 45 minutes.

A two-step cluster analysis was used in the current study. The demographical, behavioral, and attitudinal variables were used in the analysis.

RESULTS
Respondent Characteristics
There were 6,683 valid cases in the cluster analysis. Overall, respondents had an average age of approximately 70 years. About 59% were male. A majority of the respondents lived in urban areas (96.4%). The average annual family income was RMB 23,130 Yuan (approximately US$ 3,300). A little more than one fourth (22.7%) of the respondents were living alone. With regard to the participants’ retirement preparedness, less than one third had saved for their retirement and the mean savings was only RMB 40,712. Only 7.3% of the participants had debts, with a mean of RMB 21,201.

Cluster Analysis
The auto-clustering algorithm indicated that a two-cluster solution based on the Schwarz’s Bayesian Inference criterion (BIC) value. The resulting clusters 1 and 2 contained 3,174 and 3,479 cases. An outlier cluster of 20 cases was identified and excluded from the subsequent analysis.

Demographic Profiling.
In cluster 1, the proportion of female respondents was substantially greater than that of male respondents. Almost all respondents were still working to earn income. The mean age of the respondents was 70.2 years and they had attended school for about seven and a half years on average. In terms of living conditions, the respondents lived primarily in urban areas and about a half of them were living with a spouse or children; however, a majority of them did not need care from family members.

Cluster 2 was characterized by primarily male respondents who were slightly younger than those in cluster 1; with higher educational level and higher family income (the comparisons were statistically significant). Respondents in cluster 2 participated, on average, more social and community groups than those in cluster 1; nevertheless, respondents in both clusters had limited social and community-group participation. With regard to the respondents’ retirement savings and indebtedness, those in cluster 2 had more savings as well as debts, on average, than those in cluster 1.

Attitudinal Profiling.
The factors related to the respondents’ attitudes, concerns and feelings, which were obtained from a factor analysis, were also used in the cluster analysis and compared between the two clusters using a one-way ANOVA. On average, respondents in cluster 1 showed a stronger attitude than those in cluster 2 that seniors are burdens. Also, respondents in cluster 1 felt more helpless and inactive than those in cluster 2. There was no difference between the two clusters in terms of respondents’ concerns with financial and social issues. With regards to their beliefs of dependability of different retirement income sources, a significant higher percentage of the respondents in cluster 1 than those in cluster 2 (58.3% and 30.6%, respectively) believed that children are the most reliable income sources for retirement.

Validation of the Cluster Solution.
A logistic regression analysis of the two clusters was performed with five variables that were not used in the cluster analysis and the resulting model, together with the BIC, indicated a valid and stable clustering.
CONCLUSION
The results of the current study showed that Chinese seniors’ attitudinal and behavioral traits are relevant to the classification with regard to their retirement preparedness. Each different group of seniors may raise different key issues in meeting their needs for retirement management. To fulfill these group-specific needs, it is important for policy makers and financial service providers to provide corresponding social support programs, financial education programs, and financial products and services.

REFERENCES
On the Role of Effort in Budgeting a Gift for a Loved One

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EXTENDED ABSTRACT

Nowadays, many events of affection (e.g., Christmas, Mother’s day, Birthday) are scripted and normed by marketing campaigns with the result that gifts are indispensable vehicles to convey affection to the loved ones. Almost all personal gifts are commodities purchased from the marketplace (Belk 1979). It seems that commercial gifts have taken on the role of affection expression with the result that effort exerted during the gift-searching and giving process appears to be discounted. Nevertheless, research has shown that effort in gift selection is considered an important element in showing warm relationships to the recipient (Beatty, Kahle & Homer, 1991). In this article, we want to investigate whether this is really the case or whether the effort associated with gift-giving (e.g., writing a greeting message, spending hours on gift shopping) impacts how much one is willing to spend on gift to a loved one.

Research reveals that when gift giving serves as a form of symbolic communication of love from the donor to his loved one, the ultimate motivation of buying a gift on ceremonial occasions is to deliver the giver’s love to the recipient (Belk & Coon 1993). Therefore, gift-giving to a loved one is a communication tool of love and it is not motivated by rules of reciprocity proposed by Mauss (1925). Love, an affect, is unbounded (Brander, 2004) whereas the vehicles of love, such as money and effort, are bounded. We propose that the “love basket” that the donor presents to the recipient consists of the commercial gifts acquired from the marketplace and effort associated with the gift-giving. What the donor “calculates” is how much affection in total she signals to the recipient via the gift and effort during the gift presentation stage. The donor exchanges money for the commercial gift in the marketplace. In the mean time, she also makes an effort, be it physical, mental or both, to realize the gift-giving. We assume a compensatory process exists while the donor budgets the gift. Specifically, we propose that gift budgeting is a function of effort associated with gift-giving. The more effort the donor exerts in the gift-giving, the less money he will spend on the gift for the loved one. Moreover, as gift-giving is a communication tool, the components deposited by the donor in the “love basket” are supposed to be perceived by the recipient. When the effort can be easily inferred by the recipient, such as the donor’s greeting message on a preprinted card, there is no opportunity for distortion and slippage in the interpretation of effort, the gift budgeting is dependable on effort in this context. Sometimes the effort associated with gift-giving cannot be easily inferred by the recipient, for example, the donor’s effort in shopping and selecting the gift. Under this scenario, the effort is not considered as a component in the “love basket” as it cannot be communicated to the recipient in the presentation stage. As a result, efforts that cannot be communicated will not influence the donor’s gift budgeting.

68 undergraduate students participated in study 1 shortly before the 2010 Mother’s day. After answering filler questions, participants designed a greeting card by using a flower image. Half of the participants were then asked to write down a love message to their mothers on the card. All participants were then asked to imagine giving the card to their moms on Mother’s day and then indicate their gift budget. ANOVA revealed that participants who didn’t write a greeting message has significantly higher gift budget (M=$58.5) than those who wrote (M=$46.7, F(1, 67)=3.92, p=.05). Specifically, for those who wrote a message, linear regression demonstrated that the longer the love message, the lower the gift budget (β=.642, s.e.=.163, p=.001). The results are consistent with our proposition that when the effort could be perceived by the recipient, gift budgeting was negatively associated with the amount of effort.

We designed study 2 to test a null effect of effort. The purpose of the study is to investigate whether it was the communicable effort or the affectionate expression that impacted the gift budgeting. After answering filler questions, 84 undergraduate students were asked to evaluate one of the two birthday cards. One card depicts a preprinted message “happy birthday mom” and the other has the same design plus a preprinted message of “I love you, mom”. No effort is exerted in both conditions. Participants were asked to imagine giving the card to their moms and then to indicate their gift budget. T-test revealed no significant difference on gift budgeting between the two conditions (F(1, 83)=.4, p=.5). The results on the null effect of effort revealed that effort per se is indeed accountable for the difference in gift budgeting.

In study 3, we tested the effect when effort can’t be inferred easily by the recipient. 126 undergraduate students were randomly assigned to one of three conditions, in which they were asked to imagine shopping a sterling silver bracelet as a birthday gift for their moms. In the no-effort condition, participants were asked to imagine shopping a gift online. In the motivated-effort condition, they would spend three hours visiting two malls for a gift. In the forced-effort condition, although they planned a quick shopping, they spent three hours as the first mall was closed and they had to visit an unfamiliar second mall. After the task, participants indicate their gift budget. ANOVA revealed that there was no significant difference on the budget (F(2, 125)=.027, p=.97). Although manipulation check showed the perceived effort in the motivated-effort (M=4.88) and forced-effort (M=5.07) conditions were significantly higher than the no-effort condition (M=3.12, F(1, 125)=23.6, p<.001), the donor’s gift budgeting was not influenced by the effort that couldn’t be perceived by the recipient.

In conclusion, it is found that the more effort the donor exerted, the less he would spend on buying gifts. However, this effect was only observed when effort could be perceived and decoded by recipients. When recipients couldn’t explicitly infer effort from the gifts, be it motivated or forced, effort didn’t impact gift budgeting.

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Belk, R. W. and G. S. Coon (1993), “gift-giving as agapic love: An alternative to the exchange paradigm based on
EXTENDED ABSTRACT

In common with other predominantly Christian countries, in the UK and Australia the most important religious festival is also each country’s dominant consumption ritual (Belk 1990, 1989, Belk, Wallendorf and Sherry 1989; Holbrook and Hirshman 1982). The media report retail sales in the ‘run up’ to Christmas as an index of the health of the economy (Beck 2010). Many researchers have examined consumer consumption from the perspective of advertising and its role in shaping ritual behavior (Otines and Scott 1998 Hummon 1988; McCracken 1990; Sherry 1987), where such rituals may be viewed as transmitters of cultural values, providing the tools and techniques for social behavior (McCracken 1990). In this paper we consider the role of editorial content in shaping consumer perceptions of these rituals and identify some potential conflicts of interest.

The institutions who do most to maintain the Christmas consumption ritual are the grocery chains and department stores who start it each year by, sending out hamper catalogues, setting up specialist departments for trees, decorations and specialist foods, frequently months in advance. This activity is supported by the media, particularly magazines aimed at a female audience, such as the Australian Woman’s Weekly and the UK’s Good Housekeeping - both magazines have the widest readership amongst the female home maker sector in their respective countries (Audit Bureau of Circulation 2010, National Readership Survey 2010). Holthus (2009 p491) talks of women’s magazines as being “socialization agents that construct normative family relationships”. In this vein, these magazines promote – some would say ‘preach’ – to their female audience the importance of the Christmas ritual.

In this ritual, food is promoted as being of major importance. Food is the centerpiece, the focus of adherence to the prescribed Christmas rituals. Failure to adhere to the ritual comes at a price. It is the cook’s responsibility to serve a “proper” Christmas ‘menu’ to their family in the seasonally-decorated home, on Christmas Day.

Our research has used archival material from the UK and Australia to reveal that underneath this social education lies a different story. The magazines’ collaboration in the Christmas ritual has another function, which is to tell an allegorical tale of right and wrong (Rook 1984). Whilst the magazines’ message appears to support the retail aspect of this ritual, offering instructions for each generation on how to behave at Christmas, our research suggests that there is some discontinuity. The editorial subtitle does not appear to necessarily support the messages contained within the advertisements. That there is the potential for conflict between the editorial board and their various stakeholders has been commented on previously (Gough-Yates, 2003). This paper considers the implications of this discontinuity for advertisers.

We initially conducted a structured synchronic and diachronic semiotic analysis of the main Christmas features in the November, December and January editions of the British editions of Good Housekeeping and Good Food and the Australian Woman’s Weekly between 1985 and 2009. The structure of the narrative told by the magazines rewards behavior that reflects the cultural values of endurance and sacrifice to family. This contrasts with ‘busy’ mums who are ‘on a budget’ who fail to achieve this cultural endorsement because they haven’t tried hard enough. Their skill level or budget isn’t viewed as the barrier to presenting their family with the true Christmas it is their mind set, an unwillingness to fully participate in the rituals.

Each year the story is the same. The magazines present the cook (usually a woman) with a range of Christmas ‘menus’ to choose from. Overtly, readers have a choice as to which version of the Christmas meal they wish to make. In Australia the usual choice is between a plentiful ‘traditional’ or ‘classic’ menu featuring roast turkey, pork or ham and lots of dessert; or a seafood or BBQ meal outdoors or a ‘budget’ version. In the UK the choice is between the labor-intensive traditional turkey-centric meal ending with a Christmas pudding or either a budget or time/labor saving alternative.

Each magazine presents the traditional menu in its full ‘regalia’, its cultural dress. The table is usually cluttered with baubles and tinsel and other commercial Christmas symbols, which have no functionality. The text describes the role of a largely invisible cook in mythic terms. She is given a series of challenges to overcome. The success of the day is dependent on the commitment of the cook to overcome not avoid these challenges. Her commitment and endurance are out of the ordinary – some magazines instruct the cooks to get out of bed at 6am on Christmas morning to start cooking lunch. If the cook is triumphant – or at the very least adheres to the heroic path - her reward is the possibility of delivering a “Magical Christmas”. The texts tell us that children deserve a “magical” Christmas - while for others the gift is the ability to tap into a “nostalgic” vision of Christmas. In narrative terms, the magazines present Christmas Day as a day in which women work very hard, sacrificing their own needs for their family to create this magic.

The narrative technique of allegory is a powerful way to analyze and understand how the magazines play their role in this cultural ritual. “Allegory text is shaped by conformance to a traditional set of connections, they arouse expectations and gratification” in this case in the reader (Booth 1974 p71). Allegories always show two sides to a story. There is always a hero and always one or more villains or monsters. The hero personifies good cultural values; the monsters personify the sins (Stern 1988 a). While the monsters may be depicted as physical competitors, they often represent the temptations to which the hero must not succumb. The hero is presented with a choice, if the wrong choice is made the outcome is exclusion or some other form of censure (Stern 1988a, 1988b).

Below the surface story of festive choice and plenty, the two magazines tell an allegory – a moral tale of sacrifice, endurance and commitment to domestic life. The invisible cook is the hero who overcomes the challenges. Her reward for resisting the temptation to save time or effort is the
magical symbolic table of plenty. For those who choose the alternative path the rewards if any are few. Our analysis shows that over three decades in magazines in both countries, commercial ‘magical’ Christmas symbolism was absent from the alternative menus.

In contrast with the editorial content, many of the advertisers are offering inducements in the shape of saving time and effort to entice the cook to take the socially less desirable path. It is this apparent conflict that provides the focus of the paper.

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National Readership Survey accessed via http://www.nrs.co.uk/toplinereadership.html
The Effect of Color Hue on Risky Behavior Choices
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EXTENDED ABSTRACT

Much of what consumers see – advertising, packaging, brand logos, products, websites, retail environments – are imbued with color. Given the ubiquitous nature of color, there is a wide range of research on the physics and physiology of color and visual processing (Elliott et al. 2007). However, there has been relatively little attention given in the consumer behavior literature to the effect of color on behavior, despite the fact that color is a key executive decision in marketing managers, product designers, and creative directors. Thus, there remain a number of unanswered questions regarding the effects of color on behavior and more specifically on consumer behavior (Fehrman and Fehrman 2004; Whitfield and Wiltshire 1990). Understanding how color hue influences risky choices by consumers would provide an important contribution to theory in addition to allowing for a better understanding of consumer behavior in general (Bellizzi and Hite 1992; Gorn et al. 1997).

This research investigates whether differences in color hue – defined as the wavelength or actual pigment or color visually perceived, such as red, blue, green and yellow (Gorn et al. 1997; Valdez and Mehrabian 1994) – lead to changes in behavior related to risky choices in the consumption domain. More specifically, this research investigates the question of whether exposure to red or blue stimuli in a realistic format (advertising in a magazine) will result in cognitive resource depletion, which in turn leads to an increased preference for risky choices.

Recent research has demonstrated that color may influence cognitive performance. For example, Mehta and Zhu (2009) examined the effect of color hue on approach and avoidance behavior. Red has been shown to increase vigilance and attention to detail and avoidance motivation (Elliott et al. 2007; Mehta and Zhu 2009), while blue has been shown to increase relaxation, creative thinking and approach motivation (Gorn et al. 2004; Mehta and Zhu 2009) consistent with regulatory focus theory (Higgins 1997; Higgins 1998).

Additionally, there has been some evidence in the literature that avoidance motivation can instigate a cognitive resource depletion effect (Hamilton et al. 2010; Trawalter and Richeson 2006). Resource depletion results from the exertion of limited cognitive resources in the process of self-regulation to resist tempting stimuli and/or behavioral impulses. The literature has demonstrated a robust resource depletion effect in a number of different consumer domains including impulsive purchasing (Baumeister 2002; Vohs and Faber 2007), eating (Hofmann et al. 2007) and financial decision making (Oaten and Cheng 2007) among others. This study tests whether exposure to color hue and the subsequent activation of an avoidance motivation results in an exertion of self-regulatory maintenance resulting in cognitive resource depletion – a theoretical connection that has not yet been established in the literature and which could have profound managerial and public policy implications.

Building on the theoretical model outlined by Elliott and Maier (2007), the empirical work of Mehta and Zhu (2009), and cognitive resource depletion (Baumeister and Heatherton 1996; Muraven and Baumeister 2000), this research examines whether color hue in the form of red or blue can impair cognitive processing and if so how this exposure impacts subsequent behavior. A key construct will be cognitive resource depletion, defined as a limited capacity for and a subsequent weakness in exerting willpower and resisting temptations for risk in unrelated domains (Baumeister 2002; Baumeister et al. 1998). This research extends the current theory on the effects of hue on behavior by determining whether the effects lead to cognitive resource depletion, which may lead to risky behaviors such as smoking and unhealthy eating.

METHOD

The study was a two (color hue: red vs. blue) x two (cognitive load: high vs. low) between-subjects experimental design. Participants were exposed to a mock magazine format and asked for their opinion on a new magazine being launched. Each page of the magazine was surrounded by either a red or blue background panel with saturation and value held constant. It has been stressed that saturation and value must be controlled when examining the effects of color hue on behavior because they have been shown to have their own distinctive psychological effects (Elliott et al. 2007). The dependent variables were a 7-point measure of urge to smoke cigarettes (Choi et al. 1997) and a 7-point measure of preference for unhealthy over healthy snack foods modified from the measure used in Vohs and Faber (2007). Four hundred seventy five participants aged 18-28 years old took part in the study for partial course credit.

RESULTS

The study results show that exposure to red (vs. blue) stimuli resulted in a higher urge to smoke cigarettes and a higher preference for unhealthy over healthy snack foods. These results indicate a cognitive resource depletion effect. There was no effect for the cognitive load moderator. Additional studies are currently ongoing to determine if this effect is mediated by regulatory focus using a response time measure for solving approach or avoidance anagrams (Mehta and Zhu 2009) and whether the effect is moderated by any personality traits such as need for cognition (Cacioppo et al. 1984).

IMPLICATIONS

The results of this study contribute theoretically to the current literature by testing whether the connection between color hue exposure and the activation of regulatory focus motivation leads to cognitive resource depletion effects. This research also has potentially important practical implications. Marketing managers will have a better understanding of the effect of color hue in advertising, product packaging, product design and the subsequent effects of consumer behavior. In addition, for product categories where regulatory control over marketing materials is being considered – such as for tobacco, alcohol, or pharmaceuticals – or for health campaigns that strive to promote or deter consumers from risky behaviors, there may be some benefit to utilizing particular color hues in order to facilitate self-regulatory control.
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CSR 2.0: How Co-Participation in Corporate Social Responsibility (CSR) Generates Value for Stakeholders, The Cause, and the Company
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EXTENDED ABSTRACT

Corporate social responsibility (CSR) is a strategic imperative in today’s socially conscious market environment. More than 90% of the Fortune 500 companies engage in CSR, and more than 80% of the Global 250 companies publish corporate responsibility report (KPMG 2008). Surveys of senior executives and CSR professionals conducted by McKinsey indicate that CSR creates unique business value in a number of ways, including building reputation, enhancing employee morale, and strengthening competitive position (Bonini, Koller, and Mirvis 2009). Similarly, a growing body of academic research has also documented various business benefits of CSR, such as customer satisfaction, loyalty, willingness to pay a price premium, and resilience to negative company news (Du, Bhattacharya, and Sen 2007).

However, the traditional, company-centric, top-down approach to CSR faces several key challenges. First, such approach typically results in low CSR awareness among its stakeholders (Du et al. 2007). This may be due to the fact that traditional methods of CSR communication (e.g., advertising, CSR reports) may fail to break through media already cluttered with CSR messages. Second, stakeholders are often quite skeptical of claims about CSR (Wagner et al. 2009), especially when such claims are made by the company itself. According to a study by Cone (2010), 87% of consumers believe that company generated CSR communications are one-sided – sharing positive information and withholding negative information. Finally, stakeholders frequently feel disconnected from companies’ CSR activities. Even many employees who may otherwise be in touch with their employer’s business sometimes report that their company’s CSR is unrelated to who they are and what they do at work (Bhattacharya et al. 2008).

We propose that, to effectively address the above identified challenges, companies need to go from CSR 1.0 to CSR 2.0, leveraging social media tools to encourage and facilitate stakeholder co-participation in the various aspects of their CSR activities. CSR 2.0 intensely engages stakeholders in two-way, intimate and meaningful dialogues with a company, providing opportunities for stakeholders to co-create social and business value. More specifically, CSR 2.0 can be effective in breaking the media clutter, boost the credibility of CSR programs, and connect with stakeholders. Furthermore, CSR 2.0 can serve as tool in the market orientation arsenal, providing valuable insights to managers about the preferences and needs of a company’s stakeholder base. CSR 2.0 will help managers prioritize critical social issues otherwise neglected by the company.

Drawing upon various literatures on CSR, stakeholder theory (Maignan and Ferrell 2004), and value co-creation (Bendapudi and Leone 2003; Vargo and Lusch 2004), we build a conceptual framework delineating (1) key facets of stakeholder co-participation in CSR, (2) how CSR co-participation generates value for stakeholders, the social cause, and ultimately, the company, and finally, (3) contingency factors that amplify or dampen the value co-creation outcomes of stakeholder co-participation. Central to our framework is the premise that stakeholder value, cause value, and company value are intertwined and mutually reinforcing (Porter and Kramer 2006).

More specifically, stakeholders can co-participate in the design and implementation of a company’s CSR initiatives, that is, which social cause to support, how to support, and the level of corporate commitment to the cause. Such stakeholder co-participation helps to ensure that a company’s CSR initiatives are intimately aligned with its brand and the stakeholder groups’ needs, hence rendering these initiatives as authentic, believable, and effective. A second aspect of stakeholders’ CSR co-participation is their impact on companies’ socially responsible business practices. A critical component of any company’s CSR practices is the integration of social and environmental concerns into each firm’s value-chain activities, such as hiring practices, new product development, emissions, and waste disposal (Kotler and Lee 2004; Porter and Kramer 2006). Consequently, a key part of CSR 2.0 is purposeful utilization of social media technologies to solicit stakeholder ideas that can result in socially responsible practices in the arenas of marketing, operations, corporate governance, or other business practices. Finally, companies can “deputize” their employees to communicate their CSR activities, or similarly, convert consumers into ambassadors who rave about their CSR initiatives in the virtual world. Such stakeholder-generated communication will be effective in breaking the media clutter and boost the credibility of a company’s CSR programs.

Consistent with the service-dominant logic (Vargo and Lusch 2004), we view stakeholders as active co-creators of value. CSR 2.0 will deliver value to the stakeholder, the social cause, and the company. For stakeholders, CSR 2.0 provides both functional and psychosocial benefits. For example, when companies adopt stakeholder-generated ideas for socially responsible products/services (e.g., Kraft’s 100 calorie pack snacks is a result of actively listening to its consumers on virtual platforms), consumers derive functional benefits because they have products/services that reflect their true preference (Bendapudi and Leone 2003).

For the social cause, CSR 2.0 enhances cause awareness and cause efficacy. Stakeholders who co-participate in CSR 2.0 activities may become ambassadors or advocates of the cause, through online postings and other stakeholder driven communications. Furthermore, stakeholder co-participation will also bring important social causes to the attention of managers and thus secure corporate resources in support of the cause.

Finally, stakeholder co-participation in CSR will generate substantial value to the company in terms of favorable stakeholder beliefs about the company (e.g., trust, stakeholder identification; Sen and Bhattacharya 2001), and importantly, stakeholder advocacy behaviors in favor of the company (Maignan and Ferrell 2004). By actively encouraging stakeholder co-participation in CSR, the company departs from a mindset that it is interested in short-
term exchanges; rather, the company can, through its CSR 2.0 approach, help the stakeholder derive both functional and psychosocial benefits (as discussed in a previous section). These benefits will signal that the company is willing to behave in the interest of long-term mutual gain (Morgan and Hunt 1994), hence engendering trust and organizational identification. In turn, the increase in trust and identification will foster stakeholder advocacy behavior in favor of the company, leading to a positive impact on long-term financial performance.

We also discuss contingent factors at the company and stakeholder level that may amplify or dampen the value co-creation outcomes of CSR 2.0, as well as the potential risks associated with CSR 2.0.

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Gaming with My Mobile. Product Placement In Video Games
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EXTENDED ABSTRACT

CONCEPTUALIZATION

The insertion of brands in video games in mobiles is one of the most ignored placement forms and is an extremely fast growing advertising technique (Glass, 2007). Product placement has a number of advantages over traditional television advertising (Cowley and Barron, 2008), one of the most important is that viewers cannot avoid exposure to the placements. However, mobile advertising is attracting more attention from companies (Ma, Suntornpithug and Karaatli, 2009). This paper sheds light on this new form of communication in, and highlights its interest for advertisers. It also studies its effectiveness. The paper analyses the attitude towards product placement in video games mobile.

Product placement is defined as “the compensated inclusion of brands or brands identifiers through audio and / or visual means within media programming” (Karrh, 1998).

Playing games on technological medium continues to attract millions of subscribers/players worldwide (Son and Tan, 2008). A key distinction between product placement in video games and product placement in movies or television is the element of interactivity (Glass, 2007).

With reference to attitude towards product placement, if we check most of the studies about product placement, we can see that most of them have a positive attitude towards product placement (McKechnie and Zou, 2003). The sixteen-questions used to obtain the attitude towards product placement, we are used Gupta and Gould’s scale (1997), the questions were formatted “Strongly disagree to strongly agree.” (Seven-point Likert scale).

Need for Cognition refers to the tendency to engage in and enjoy effortful thought. As Ruiz and Sicilia (2004) indicate, the Need for Cognition scale allows researchers to distinguish between two groups of individuals, high and low individuals. To measure this independent variable we used a 18-item version of the need for cognition scale (Cacioppo et al., 1984). A seven-point scale anchored at “strongly disagree” and “strongly agree”. H1: there should be a positive relationship between need for cognition and attitude towards product placement.

The effects of involvement with the medium vehicle (in our research video games) in which brands were placed were mainly positive (Van Roosmalen, Neijens and Smit, 2009). Nicovich (2005) sowed positive effects of involvement on beliefs about placements in games. We suggest: H2: there should be a relationship between attitude towards video games and attitude towards product placement.

With respect Attitude towards the game on Attitude towards product placement Weaver and Oliver (2000) indicated that attitude towards product placement will be more favourable for those individuals who have a high positive attitude towards the movie which appears the product placed. We used a seven-point semantic differential scale with six items (i.e., it is interesting… it is uninteresting”). We propose H3: there should be a relationship between attitude towards video game and attitude towards product placement.

Product placed knowledge is one on the main variables to determine the attitude of the consumer towards product placement, and there are many studies that have researched and proved that relationship (Gould et al., 2000; Karrh et al., 2001). McKechnie and Zhou (2003) proved that, for American consumers’ high familiarity with the product placed influences on high positive attitude towards product placement. The questions for this variable were formatted by “Strongly disagree to strongly agree,” seven-point Likert scale with five items. H4: there should be a relationship between product knowledge which appears in the video game and attitude towards product placement.

The congruence between the brands placed in the video game and this game, influence on the attitude towards product placement. Several researches have demonstrated the importance of the existence of a strong congruence between the brand placed and the media which is placed (Meenahan, 1983; D’Astous and Bitz, 1995). This variable was measured with a seven-point semantic differential scale with five items (i.e., attitude toward brand: negative…positive). H5: there should be a relationship between congruency of product placed and attitude towards product placement.

Several studies have detected that consumer attitude towards product placement was also influenced by the gender of the consumer (Milner et al., 1991; Van Roosmalen and McDaniel, 1992; Gupta and Gould, 1997). H6: there should be a relationship consumer’s gender and attitude towards product placement.

METHOD

Subjects: 347 (USA undergraduate students).

Design: A 2[type of product placement (prominent, subtle)] x 2 frequency of gamming video games (high, low) x 2 type of product (Mobile Co., Financial Co.), all between subjects full factorial experiment designs was used. These products were chosen by an open-list of products that a hundred student filled in as remembered in car racing (more, less). Them a jury (expert in marketing) determined the video game (Out Run). Four groups of these students (1.Mobile Co.-prominent, 2.Mobil Co.-subtle, 3.Financial Co.-prominent, and 4.Financial Co.-subtle), they playing with their individual mobile and them each one filled a questionnaire with Karrh’s (1998) product placement definition. We confirm the reliability and validity of the scales, each one with his appropriate method.

MAJOR FINDINGS

Results: All effects were tested with ANOVA (between subjects). Summary of results of the hypothesis: H1: \(F(347)= 4.026; p<0.05\); H2: \(F(347)= 4.139; p<0.00\); H3: \(F(347)= 4.463; p<0.00\); H4: \(F(347)= 4.985; p<0.00\); H5: \(F(347)= 4.459; p<0.00\); and H6: \(F(347)= 4.763; p<0.00\). All hypotheses were supported and accepted, just as the literature indicated.

The analyses yield significant evidences in term of moderating the relationships between the exogenous variables and attitude towards product placement. Our results reaffirm the hypothesis established in the study, and the importance of
understanding how players’ context influences on consumers’ attitudes towards product placement.

The research results suggest that marketers should be aware the game, the congruency between their product and the game, when they are designing marketing programmes. At all times product placement activity should be considered in a much wider context to ensure it is successfully integrated into marketing campaigns (Grein and Gould, 1996). Following from the results of this study, a few suggestions for further research are proposed: It is likely to make this study using other moderator variables; other relationships and compatibilities between videogames and type of mobiles.

REFERENCES
The Effect of Vertical Extensions’ Cognitive Mediation on Parent Brand’s Reciprocal Evaluation and Associations’ Structure Changes: An Accessibility-Diagnosticity Perspective

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EXTENDED ABSTRACT

Based on the accessibility-diagnosticity theory, Feldman and Lynch (1988) suggested that information may influence a consumer’s evaluation of a brand extension as long as it is accessible and diagnostic. Accessibility refers to the contextual ease of retrieving a piece of information from memory for input into a judgment (Feldman and Lynch 1988) and diagnosticity is the degree to which that piece of information is relevant for that judgment (Meyvis and Janiszewski 2004). Kardes et al. (2004) argued that products and brands can rarely be described completely by consumers, who mostly form inferences based on the information available (e.g. recent advertising, point-of-purchase displays) to them at the time of judgment.

In launching a new vertical line extension, an existing parent brand (PB) name is used to launch new products or services at a different price point and quality level (Xie, 2008; Keller and Aaker, 1998; Kim, Lavack, and Smith, 2001). In the case of an upward extension, target consumers are likely to invest a significant amount of attention to the new extended brand because of its inherent involving effect. Wyer (2008) suggested that when individuals possess previously already interpreted information about an object on the basis of recently activated knowledge, it tends to persist over time on later judgments. In the case of a new extension launch, recent high accessibility and relevance task of established parent brand-related information such as key brand associations can potentially ponder the effect of the upward extension on reciprocal attitude toward the PB.

Unfortunately, little evidence exists in the literature that would allow concluding on the aforementioned potential effect of vertical extension. Yeung and Wyer (2004) suggested that an induced emotion before product evaluation persist even after introducing an interfering stimulus such as an attribute related to the product. In the case of an highly involving element such as an upward vertical extension we propose that the reciprocal attitude towards the parent brand will not be affected by the extension but the reciprocal PB brand association cognitive structure will change.

The goal of the study was to assess the extent to which the accessibility of a parent brand associations’ structure and the opportunity of a cognitive task related to it would influence the reciprocal evaluation and associations’ structure of the same parent brand after extension when it is developed upward. Based on Wyer (2008), recently induced prior judgments about an object are suggested to persist over time. This remains true even if an interference factor comes to mediate those prior impressions (Yeung and Wyer, 2004). In the two previous findings, levels of involvement towards the mediating factor were not tested.

In order to test for the differences and variations in levels of accessibility and/or diagnosticity through the mediation of persuasion appeals of a vertical line extension, four experiments were planned. More specifically, a natural experiment based on a 2 x 2 between-subjects design was conducted with two levels of accessibility (high accessibility/low accessibility) and two levels of vertical extension (upward/downward). Before collecting the data, a series of pre-tests were conducted for brand name selection and stimuli development. The testing of the hypotheses was done using the statistical technique of Partial Least Squares (SmartPLS 2.0 (M3) by Ringle, Wende & Will, 2005). First, analyses of multiple causal relationships can be run with PLS (Chin 1998), as opposed to ANOVA. Second, as opposed to structural equation modeling (SEM), PLS allow for mixing continuous and nominal metrics as well as the use of small samples (Lei, de Ruyter and Wetzel, 2008).

The current study found that in a stimulus-based high accessibility context and cognitive task the effect of an established parent brand neutralized the mediating effect of an upward extension on both the extension’s and reciprocal parent brand’s attitude. In contrast, in a memory-based low accessibility context, the effect of the upward extension is quite significant. However, in terms of parent brand associations’ reciprocal cognitive structure the presence of a mediator such as an upward extension foster a significant change whether the accessibility of key PB information is high and low.

This study is important. It contributes to the accessibility-diagnosticity theory in a significant manner because it fills an important gap related to the area of vertical extensions and the influence it has of reciprocal brand associations’ cognitive structure of the parent brand. In the same way, it also contributes to a better understanding of the effect of prior impressions on future evaluation.

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Personality Traits Antecedents of Online Brand Community Members’ Participation
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EXTENDED ABSTRACT
Online communities have increasingly become a powerful tool for marketers. Intensified competition and high cost in gaining new customers have drove companies to establish long term relationship with customers. The level of participation is an important indicator to distinguish the strength and involvement of the brand community (Algesheimer 2005). Participation in the brand community furthermore will have an impact on the member’s behavior (Muniz and O’Guinn 2001). Yet, despite the attention on online brand communities, our knowledge on online brand community member’s participation is not comprehensive. Particularly there is limited research addressing member’s personality traits relevant to the participation of online communities. This research is aimed to fill this research gap.

In the past many studies have argued that personality traits exist at diverse levels of abstraction (Allport 1961; Paunonen 1998). However, the study of the influence of personality traits on consumer behaviors is impeded by the lack of a theoretical framework within which to incorporate a system of trait predictors. The 3M model proposed by Mowen (2000) attenuates this problem by incorporating a hierarchical structure of personality traits based on control theory, trait theory and evolutionary psychology. The 3M model starts from identifying four hierarchically ordered levels of traits; (1) elemental traits (2) compound traits (3) situational traits and (4) surface traits, and advocates the arrangement of traits in different levels of the hierarchy to exhibit the direct and/or indirect impacts of traits on the behavioral outcomes. The purpose of this research is to develop and estimate a conceptual model using the 3M Model as theoretical foundations. We examine the trait antecedents of the online brand community members’ participation - the dispositions to receive information and to send market information to others using the online platform.

THEORETICAL FRAMEWORK AND HYPOTHESES
We adopt the Costa and McCrae’s (1985) Five-Factor Model of Personality as the elementary traits for our research. Compound traits are interpersonal needs, need for information and need for activity. People that exhibit extraversion and agreeable personalities value interpersonal relationships (Depue and Collins 1999). Since social networking sites provide a platform that connect, we hypothesize that people that exhibit extraversion, agreeable traits have higher needs for interpersonal relationships. People who have neurotic traits are more emotional instable, thus we hypothesize that their needs for interpersonal relationship are also high. People who exhibit personalities that are open to experiences and conscientiousness have higher needs for information (Butt and Philips 2008). Since online brand community is a site offering ample brand related information, therefore we hypothesize openness to experience and conscientiousness have higher dispositions to have higher needs for information. Mowen (2000) proposes the need for activity, indicating people have the motivation to participate in activities in order to keep them busy. According to Five-Factor Model of Personality, we hypothesize that users of online brand community who exhibit extraversion and openness to experience personalities will have higher needs for activity.

For situational needs, the selected traits are innovativeness, identification to brand community and value consciousness. According to the Five-Factor Model, openness to experience people actively seeks diversified experiences and possesses curiosity (see also Hirschman 1980). Therefore, we hypothesize that openness to experience trait lead to high innovativeness. According to Hagel and Armstrong (1997), virtual social networking sites can satisfy member’s need for interpersonal relationships and provide a platform for users to interact, therefore we hypothesize members with high needs for interpersonal relationship and activity will join online brand community which in turn will lead to higher community identification. Those who join online brand community at the early stage aim to gain new knowledge and information and are considered to be more innovative, we therefore hypothesize that the need for information facilitates innovativeness. Consumers who are prone to obtain high quality products at a low price will actively seek relevant product information (Lichtenstein 1990). Thus we hypothesize that the need for information will assist consumers to obtain high quality products at a lower price and are likely to receive information in brand community.

At the last level of the model, surface traits are information sending and information receiving. Based on the research finding of characteristics of innovator (Midgley and Dowling 1978), we hypothesize that consumers who exhibit innovativeness traits are more inclined to receive information. According to McMillan and Chavis (1986), community identification and belongingness may motivate members to interact, we therefore hypothesize that users who have high identification with brand community are inclined to receive information and send information in brand community.

METHOD
Development of Measures
Measures of the compound traits were taken from works of Baumeiser and Leary (1995) and Mowen (2000). For situational traits we adopted measures from researches of Hirschman (1980), Mowen (2000), Bhattacharya (2003), Algesheimer (2005) and Lichtenstein (1990). We adopted surface traits measures from Mowen (2007) and Algesheimer (2005). In total, 38 items of construct measurements were included in the formal questionnaire, using 5-point Likert scales.

Participant Recruitment
A survey research was conducted in Taiwan. We recruited participants from users of Facebook who are members of Fan Pages of Starbucks, 7-11, Eslite Book store and Book Online bookstore. Facebook’s Fan Page was selected as it was newly established at the time of this
research to provide an interaction platform for corporations and consumers. A total of 371 questionnaires were distributed online, deducting 48 incomplete questionnaires, 323 questionnaires were used for analysis.

RESULTS

Measurement Model Evaluation

Standard procedures were followed to test the model fit, reliability, validity (Steenkamp and Baumgartner, 1998). All fit indices of the confirmatory factor analysis are acceptable (χ²/df=2.84; CFI=.93; GFI=.79; RMSEA=0.076; RMR=.063). Cronbach’s α-values are above 0.7, exhibiting satisfactory reliability, and the factor loadings are all significant, indicating good convergent reliability. Discriminant validity is also verified through testing based on the criterion of Jöreskog & Sörbom (1989).

Structural Model Estimation and Hypothesis Testing Result

Taking into consideration that this study employs a complicated framework, covering a breadth of variables, the fit statistics of the structural model are acceptable (χ²/df=2.88; RMSEA = .076; RMR=0.084; CFI = .93; GFI=.77). The hypotheses for the effects of elemental traits on compound traits are mostly supported. Surprisingly, conscientiousness trait does not have an impact on need to search information. This may be attributed to the researched target (Fan Pages on Facebook) possessing a social media image, thus may make the conscientious members, who are usually risk averse, do not regard the communities as credible sources. Relationship between extraversion trait and the need for interpersonal relationship is not supported due to extraverts are more self contained. The results for effects of compound traits on situational traits are generally supported. The exception is that information need does not lead to value consciousness. It is possible because value consciousness is more likely influenced by the economic status and information need may not arouse value consciousness. For situational traits to surface traits, results are supported except that innovativeness does not lead to higher information reception. The possible reason is that the measurements adopted presently assess innovativeness by adoption behavior, and not by perception and attitude, thus is not predictive of information reception. This can be addressed by future research context that adopts a different measure.

DISCUSSION

This current research contributes to knowledge by demonstrating a hierarchical structure of traits interplaying at different levels works as a nomological net to predict the behavior intention. This is a more comprehensive and theoretical-based perspective which may illuminate sound strategic options to influence brand community participation. Furthermore, this research advances the understanding of online brand community’s behavior from specific traits (Fuller et al.2008) toward structural traits. It is confirmed that identification to brand community and value consciousness are the key trait predictors of online brand community members to participate in receiving and sending information. Those who are more likely to identify to brand community and have high value consciousness are likely to have higher interpersonal relationship needs, activity needs and information needs. Therefore, business managers who attempt to boost the participation of online social media sites should appeal to the antecedent traits predictors that drive information receiving and sending.

REFERENCES


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**Figure 1: Hypotheses in the model**

- **Elementary traits**
  - Extraversion
  - Agreeableness
  - Conscientiousness
  - Openness to experience
  - Neuroticism

- **Compound traits**
  - Need for information
  - Need for activity
  - Interpersonal needs

- **Situational traits**
  - Innovativeness
  - Identification to brand community
  - Value consciousness

- **Surface traits**
  - Receive information intention
  - Send information intention

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EXTENDED ABSTRACT
Firms are increasingly relying on electronic mail (e-mail) in their communication with customers. It is reported that average US employee processes more than 20 e-mails every day and spends about 2-2.5 hours per day on e-mail (Communication World, Aug/Sep 2001). The management, however, has mixed feelings about customer service people’s use of e-mail in customer contact. Advocates believe that e-mail removes time and geography constraints and enhances firms’ responsiveness to their customers. It is argued that e-mail greatly saves time and travel costs, and therefore, “it is a big mistake not to embrace this additional communication channel” (Sales and Marketing Management, July 1994, p. 95). Opponents, however, argue that e-mail may introduce more miscommunication than face-to-face contact. They insist that customer service people who don’t rely on e-mail have a competitive edge over those who do. As one manager put: “I have constantly reminded my sales forces that they are professionals and that they have an advantage over the competition by being in front of people rather than relying on e-mail” (Sales and Marketing Management, April 2003, p. 19). Some managers even go so far as to closely monitor their customer service people’s client contact log to make sure there is sufficient percentage of “face time” with customers (Sales and Marketing Management, April 2003, p. 20). Given the controversy about the use of e-mail in customer contact, an important research question is: If, and when, should firms use e-mail to communicate with their customers?

To address this issue, this paper develops a conceptual framework based on two theories in the management literature dealing with organizational communications – media richness theory (e.g., Daft et al., 1987) and social influence theory (e.g., Fulk et al., 1990). Extending the prior media choice theories, this paper proposes that media choice is a function of the nature of the relationships between communicators. Integrating previous media choice theories with a relational perspective of e-mail use, this study intends to provide a more comprehensive picture of media choice behaviors. The paper is organized as follows. In the next section, this paper reviews prior research on media choice research and then develops a set of hypotheses. Then the method used to test the hypotheses is outlined and results are presented. The paper concludes with a discussion and directions for future research.

LITERATURE REVIEW ON THE MEDIA CHOICE RESEARCH
There are two major streams of media choice research (Fulk & Boyd, 1991), media richness theory and social influence theory. Media richness theory (e.g., Daft et al., 1987) focuses on the objective characteristics of media and suggests that content of communicated messages determines media choices. Social influence theory (e.g., Fulk et al., 1990) switches the attention to people’s subjective media perceptions and argues that the social forces around a person influence his or her media choice. Each of these theories is discussed below.

Media Richness Theory
Media richness theory (e.g., Daft et al., 1987) suggests that different media vary in their ability to convey social cues. It arranges media along a richness hierarchy, ranging from face-to-face contact to e-mail. Face-to-face contact is considered to be the richest medium, followed by telephone and then written documents. E-mail is often ranked as the leanest media because it lacks many social cues transmitted through non-verbal channels (Sproull & Kiesler, 1986).

According to this theory, the content of communication task determines media choices. Message ambiguity is one characteristic of communications that has received much research attention. Ambiguity means the existence of multiple and conflicting interpretations about a particular situation (Daft & Macintosh, 1981; Weick, 1979). The communication of ambiguous message requires multiple cues, both verbal and non-verbal, to ensure accurate interpretations (Daft et al., 1987). Face-to-face contact, the richest media, is considered to be appropriate for highly ambiguous communication tasks. In contrast, e-mail is thought to be more appropriate for less ambiguous communication tasks that do not require multiple social cues.

SOCIAL INFLUENCE THEORY
Social influence theory (Fulk, 1993) considers the individual’s subjective media perceptions rather than the objective characteristics of the media. It proposes that individual’s media perception, and thus media choice behavior, is influenced by social forces around the person. For example, the theory argues that a co-worker’s media attitudes and behaviors affect individual’s perception, choice, and use of the media. Social influence theory also identifies multiple social psychological processes underlying the social influences. Foremost among these processes are vicarious learning process (Fulk et al., 1992) and behavior-modeling process (Bandura, 1986). The net effect of these psychological processes is “a similar pattern of media attitudes and use behaviors between communicators. Fulk (1993) further posits that shared cognitive patterns between communicators that are produced by the social psychological processes are the immediate driving force contributing to the similar media attitudes and use.

Social influence theory provides a social explanation for media choice. It supplements the objectivist perspective of media choice research with a subjectivist one. However, the effect of shared cognition on media choice behavior has not been empirically test in social influence research.

HYPOTHESES DEVELOPMENT
In this section, I combine both media richness and social influence theories to investigate the salespeople’s media choice behavior. Specifically, I explore the role that the pre-established relationships (i.e., trust and relational norms) between customer contact people and their customers play in customers’ perception and choice of e-mail. I propose that these pre-established relational cues are typical types of the “filtered-in” social cues that are not “filtered-out” by the use
of e-mail. In addition, I argue that the trust and relational norms between customer contact people and their customers are expected to influence customers' perception and therefore, use of e-mail. I also investigate the role of shared cognition on media choice behavior. Specifically, I examine the impact of the shared mental models (Cannon-Bowers et al., 1993; Mathieu et al., 2000; Rouse & Morris, 1986) on customers' perception and use of e-mail.

Figure 1 provides a framework of the proposed model in this paper. As stated in figure 1, the pre-established relationships (i.e., trust and relational norms) between customer contact people and their customers are two antecedents of the media choice behavior. Consistent with Schmitz and Fulk (1991) and Fulk' (1993) arguments, I propose that the perceived richness of e-mail is the immediate factor that predicts the choice and use of e-mail, and also mediates the relationship between the media choice antecedents and media choice behavior.

Perceived richness of e-mail is defined based on a blend of four criteria about e-mail: the speed of feedback, the availability of multiple cues, the variety of languages used and the availability of personal focus (Daft et. al., 1987). It is argued that an individual will be more likely to use e-mail when the person subjectively perceives that e-mail is capable of providing instant feedback, conveying multiple cues, using a variety of languages, and tailoring personal feelings, regardless of its objective characteristic (Schmitz & Fulk, 1991; Fulk, 1993; Carlson and Zmud, 1999). Hence, applying the above arguments to the salesperson-customer’s e-mail communication, the first hypothesis is stated as:

H1: Customer contact people’s perceived richness of e-mail is positively related to customers’ use of e-mail in their communication.

Next, I focus on the roles of trust and relational norms on customer contact people’s perception of e-mail.

The Role of Trust and Relational Norms on Perception of E-Mail

Marketing scholars define trust as perceived credibility, the belief that the party is reliable, and the expectancy that the party’s word or statement can be relied on (Doney & Cannon, 1997; Ganesan, 1994). Relational norms are expectations about behaviors that are partially shared by a group of decision makers (Gibbs, 1981; Moch & Seashore, 1981; Thibaut & Kelly, 1959). Trust and relational norms overcome the social barrier and compensates the lack of social cues in e-mail. Consequently, when customer contact people have high level of trust and established relational norms with their customers, they will be more likely to perceive e-mail as a rich medium.

H2: Trust between customer contact people and their customers is positively related to the customer contact people’s perceived richness of e-mail in the communication with their customers.

H3: Relational norms between customer contact people and customers are positively related to the customer contact people’s perceived richness of e-mail in the communication with their customers.

METHOD AND MAJOR FINDINGS

Sample and Data Collection Procedure

A mail survey of customer service people in industrial market is conducted. The industrial market is chosen because it is believed that customer contact people in the industrial market tend to use a wider variety of media (i.e., face-to-face contact, telephone, business letter, and e-mail) to communicate with their customers in comparison with those in the consumer market. The questionnaire was sent and 129 are completed response were received.

RESULTS OF HYPOTHESES TESTING

Regression was used to test hypotheses. As expected, perceived richness of e-mail is positively and significantly (p < .001) related to use of e-mail Thus, the Hypothesis 1 was supported. To test the Hypothesis 2 and 3, through 8, another regression model was developed with perceived richness of e-mail as the dependent variable and trust and relational norms as the independent variables. The results showed that trust and the information exchange norm dimension of relational norms were positively and significantly (p< .001 and p<. 001, respectively) related to the perceived richness of email. Thus, Hypothesis 2 was supported and the Hypothesis 3 was partially supported.

CONCLUSION AND MANAGERIAL IMPLICATION

This study presents a relational perspective of media choice theory. Building on previous media choice theories, it is proposed that the nature of the relationship also influences a person’s perception and choice of media. Specifically, this study investigates the impacts of the pre-established relationships such as trust and relational norms between customer contact people and their customers on perception of richness of email and customers’ use of e-mail. The survey data generally supported the relational perspective of media choice theory. It is found that trust and the relational norms of information exchange were positively and significantly related to salesperson’s perceived richness of e-mail, and these e-mail perceptions are, in turns, significantly related to customers’ use of e-mail. The relational perspective of media choice theory thus complemented previous media choice research by presenting a more comprehensive picture of media choice behaviors.

The relational perspective of media choice theory provides useful insights for firms’ use of electronic communication with their customers. First, it suggests that there are situation under which customer contact people can take the advantages of e-mail (e.g., time and cost efficiency) without losing communication accuracy in their communication with customers. The findings in this paper suggest that when customer contact people have pre-established relationships with their customers, e-mail is an appropriate communication vehicle since the chance for miscommunication is minimal. The finding provides some useful guidelines for managers to direct customer contact people’s use of e-mail in customer contact. For established firm-customer relationships, where trust and information exchange norms have already been established, managers may encourage customer contact people take the advantages of e-mails, and thus save time and budget in exploring new customer basis. For new relationships where trust and the relational norms are yet to be established, managers may pay more close attention to customer contact people’s e-mail contact with customers in order to ensure no communication misunderstandings involved.
Second, the relational perspective of media choice theory also suggests a useful media use portfolio. Since it is evidenced that e-mail is appropriate only after the trust and norms are established, customer contact people may heavily rely on media other than e-mail (i.e., face-to-face contact) in initial communication with novel customers. As soon as the face-to-face contact helps to build up trust and norms with customers, customer contact people can switch to e-mail as a primary medium in further developing and maintaining the customer relationships. This media use portfolio echoes Zack’s (1994) suggestion that “communication is more effective when face-to-face is used to build interpretive context where deficient, and electronic communication is used to communicate within an existing shared interpretative context” (p. 231).

REFERENCES
EXTENDED ABSTRACT

Arousal is a rather interesting phenomenon in consumption. Thayer (1978) suggested the existence of two bipolar dimensions of arousal -- energetic arousal (energy-sleep) and tense arousal (tension-calmness). Although Thayer’s model was developed in the 1970s, little research has investigated whether arousal as two dimensions can influence consumer pleasure. Previous researchers have usually regarded arousal as a single dimension, which ranges from low (e.g., sleepy, calm) to high (e.g., exciting, tense) levels. However, the one-dimensional view of arousal cannot effectively reflect the independent effects of two kinds of arousal on pleasure. For example, consumer pleasure might be enhanced when tense arousal decreases (i.e., when people become more calm) and/or energetic arousal increases (i.e., when people become more excited). But reflected on a single continuum, arousal may not change following a reduction of tense arousal that accompanies an increase in energetic arousal. In this case, arousal from a one-dimensional view could not be identified as an antecedent of pleasure. This conclusion definitely neglects separate impacts of tense arousal and energetic arousal on pleasure. To address this deficiency and explain inconsistent findings regarding relations between arousal and pleasure in previous studies (Finn 2005; Kaltcheva and Weitz 2006; Ladhari 2007), the current study aims at validating the existence of two arousal routes to consumer pleasure.

Thayer’s two-dimensional view of arousal has been supported by reversal theory (Apter 2001). Reversal theory proposed two arousal curves. One was represented by relaxation-tension relating to an “arousal avoiding” system, and the other by boredom-excitement as an “arousal seeking” system. According to reversal theory, the “arousal avoiding” and the “arousal seeking” systems are respectively associated with two states of mind known as telic and paratelic (Walters, Apter, and Svebak 1982). The telic state is a serious-minded state in which an individual is goal-oriented. People in telic states value tranquility and calmness and avoid anxiety. In contrast, the paratelic state is a playful state that drives people to be activity-oriented. People in a paratelic state seek fun and stimulation in ongoing activities. Because tense and energetic arousals in Thayer’s model are generally consistent with relaxation and excitement curves in reversal theory (Batra and Ray 1986; Brengman 2002; Larsen and Diener 1992; Yi, Russell, and Feldman Barret 1999), the telic state should make people especially sensitive to tense arousal, and the paratelic state should make people especially sensitive to energetic arousal.

According to reversal theory (Apter 2001), people in telic states value tranquility and avoid tension. Decreasing tense arousal in consumption experiences can enhance calm feelings, which directly meet the expectations of those who are predominantly telic. On the other hand, people in paratelic states desire to be stimulated and thrilled (Apter 2001). Increasing energetic arousal in consumption experiences can raise energetic states, which match the goals of paratelic-oriented people. Appraisal theories have indicated that goal congruence can result in pleasure (Johnson and Stewart 2004). Therefore, we hypothesize that calmness (low levels of tense arousal) would cause pleasure to the extent that people are predominantly telic, and energy/vigor (high levels of energetic arousal) can lead to pleasure to the extent that people are predominately paratelic.

We first tested the existence of two arousal routes to consumer pleasure in an interactive product context. One hundred and forty-one participants who had used a portable GPS in the last three months completed an online survey about consumer experiences with GPS devices. A regression on pleasure identified significant effects of ergonomic qualities (e.g. usability, controllability, and predictability) and hedonic qualities (e.g. fun, originality, and aesthetics). When calmness and energy/vigor were included as covariates in the prediction of pleasure, significant effects of calmness and energy/vigor emerged, and effects of ergonomic and hedonic qualities were reduced. In addition, ergonomic qualities significantly predicted calmness but not energy/vigor, and hedonic qualities significantly predicted energy/vigor but not calmness. Thus the effect of ergonomic qualities on pleasure was mediated by calmness and the effect of hedonic qualities was mediated by energy/vigor.

Study 2 was about consumer experiences in vacation resort scenarios. This study was conducted to further test independent effects of tense arousal and energetic arousal on pleasure and also to test potential moderating effects of telic/paratelic orientations. Sixty-five participants were randomly assigned to one of two vacation scenarios (a vacation that requires high vs. low energy expenditure). They imagined themselves taking a vacation in a described scenario, and then indicated their feelings of arousal and pleasure. Finally, participants completed a personal style questionnaire (i.e. “Paratelic Dominance Scale”, Cook and Gerkovich 1993). Results indicated that a manipulation of energy expenditure significantly influenced both energetic and tense arousal: enhancing energy expenditure improved energy/vigor but reduced calmness. A regression on pleasure found positive main effects of calmness and energy/vigor, a positive interaction between energy/vigor and paratelic dominance score (PDS, a continuous variable), and a marginal negative interaction between calmness and PDS. Regression analyses showed that energy/vigor predicted pleasure for relatively paratelic-dominant people (1 SD above the mean on the PDS), but not for relatively telic-dominant people (1 SD below the mean on the PDS). Calmness influenced pleasure for both types of people, but the effect for relatively telic-dominant people was greater than that for relatively paratelic-dominant people.

In sum, by establishing two arousal routes to pleasure, our research can clarify relations among product qualities, arousal and pleasure, and go beyond past work in consumer research that has equated pleasure with high-arousal affect.
Effects of Arousal on Pleasure: The Role of Telic and Paratelic States of Mind

(e.g. elation). The two-arousal system can also be used by marketing practitioners to create more effective marketing mix programs according to the telic/paratelic orientations of targeted consumers.

REFERENCES


Coping with Flattery as a Selling Tactic: A Multi-dimensional Perspective
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EXTENDED ABSTRACT
Flattery, the act of excessive and often insincere compliments, is a common type of selling tactic. The literature has documented both positive and negative consumer reactions to salespersons’ flattery with regard to perceptions, attitude, and purchase intention (Campbell and Kirmani 2000; Chan and Sengupta 2010; Main et al. 2007). To date, however, much remains to be learned about how consumers intend to cope with flattery.

The purpose of the present research is to examine the general patterns and the underlying structure of coping behaviors with flattery as a selling tactic. It is proposed that a consumer can be a “vigilant taker” or a “mellow guard” beyond the previously documented “sentry-seeker” tendencies (Kirmani and Campbell 2004). Two potential antecedents are examined (i.e., regulatory focus, persuasion knowledge) in relation to purchase involvement.

CONCEPTUAL FRAMEWORK
Kirmani and Campbell (2004) have developed a coping behavior typology under two broad tendencies: seekers and sentry. Seeker tendency includes the behaviors of “asking for more information, establishing personal connections, rewarding, testing, and accepting assistance”; and sentry tendency refers to the behaviors of “forestalling, deceiving, resisting assertively, confronting, punishing, withdrawing, preparing, and enlisting companion.”

A four-facet underlying structure is proposed along two dimensions: regulatory focus (RF: prevention vs. promotion) and persuasion knowledge (PK: high vs. low). The first facet is to “approach”, when consumers discount salespersons’ sales motives/tactics and seek advice/assistance from them. The second facet is to “engage”, when consumers actively manage relationships with salespersons to achieve positive outcomes. The third facet is to “resist” when consumers withdraw from persuasion episodes to avoid negative outcomes. The fourth facet is to “control”, when consumers make efforts to guard against manipulative persuasion attempts. More specifically, it is proposed that high PK consumers with a promotion focus (compared to a prevention focus) are more likely to “engage” than to “approach”. They are also more likely to “control” than to “resist”. In contrast, low PK consumers with a promotion focus (compared to a prevention focus) are more likely to “approach” than to “engage”. They are also more likely to “resist” than to “control.”

STUDY 1
Study 1 (n = 129) examined the multi-dimensionality and the higher-order structure of the coping behaviors. Participants first read a retail shopping scenario adapted from Campbell and Kirmani (2000). A salesperson, Pat, flatters the customer when s/he tries on a more expensive jacket prior to the purchase. Next, they were primed to achieve positive (vs. avoid a negative) outcomes when interacting with Pat (adapted from Lockwood et al. 2002). Participants then rated their coping behaviors on the 15-item scale (1: not likely at all; 7: very likely; adapted from Kirmani and Campbell 2004). Last, they completed dispositional difference measures in persuasion knowledge (Bearden et al. 2000) and regulatory focus orientation (Haws et al. 2010).

A series of exploratory factor analysis (EFA) and confirmatory factor analysis (CFA) tests were conducted (1-factor, 2-factor, 4-factor, 6-factor; 4-factor second-order, 6-factor second-order). In the second-order structure models, “engage” and “approach” (2nd-order) were under the seeker tendency (1st-order), and “control” and “resist” (2nd-order) were under the sentry tendency (1st-order). The Structural Equation Modeling (SEM) analysis suggests that both the 4-factor and the 6-factor second-order models provide satisfactory fits. Overall, the situational difference in regulatory focus better predicts the seeker behaviors, while dispositional difference in regulatory focus better predicts the sentry behaviors. Persuasion knowledge, in contrast, predicts sentry but not seeker behaviors.

STUDY 2
Study 2 (n = 116) used a 2 (Regulatory Focus: prevention vs. promotion) X 2 (Purchase Involvement: high vs. low) between-group design. Involvement was manipulated by the purpose of the purchase: “Imagine that you’ve gone to a department store to buy a jacket for an important interview” or “Imagine that you’ve gone to a department store to buy a jacket for those just-in-case times,” which appeared at the very beginning of scenarios. All else remained the same as in Study 1.

The fit statistics of the 4-factor vs. 6-factor models are close but the former is more parsimonious theoretically. Promotion-focused participants can be more suspicious than prevention-focused participants when purchase involvement is low. More specifically, low PK/promotion-focused participants are more likely to use sentry coping behaviors than high PK/prevention-focused participants in the low involvement conditions. This pattern can be ascribed to the differential effects of defensive suspicion and low judgment certainty among high vs. low PK participants.

DISCUSSION
The present research examines the general patterns and the underlying structure of consumer coping behaviors when salespersons use flattery as a persuasion tactic. The results from two studies suggest that consumers can be “vigilant takers” or “mellow guards” beyond the previously documented “sentry-seeker” tendencies, depending upon their regulatory foci and persuasion knowledge. This research contributes to the literature in three areas: 1) two theoretical accounts (i.e., Regulatory Focus, Persuasion Knowledge Model) are tested in the context wherein a salesperson uses flattery to persuade consumers; 2) the 4-factor second-order model can enrich the previous “seeker - sentry” typology; and 3) the results can add more insights about the mediation and moderation mechanisms that influence consumer coping behaviors.
REFERENCES
**Situational Influences on Evaluations of Customer Misbehavior**

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**EXTENDED ABSTRACT**

In many service settings, customer dissatisfaction with the consumption experience—and ultimately with the service provider—is influenced, at least partially, by the misbehavior of other customers (Bitner, Booms, and Tetreault 1990; Grove and Fisk 1997; Martin 1996; Martin and Pranter 1989). This misbehavior can take the form of speaking too loudly or smoking in public places, noisy children, verbal and physical abuse, drunkenness, and so on.

Extant research on customer misbehavior can be grouped in five distinct streams. The first stream includes different types of customer misbehavior (Grove and Fisk 1997; Zemke and Anderson 1990). The second stream is associated with the motives and antecedents of customer misbehavior (Fullerton and Punj 1993; Reynolds and Harris 2009). The third stream focuses on the consequences of customer misbehavior (Bitner et al. 1990; Grove and Fisk 1997; Huang 2008; Huang, Lin, and Wen 2010; Martin 1996; Reynolds and Harris 2009). The fourth stream pertains to managerial guidelines that encourage firms to take specific courses of action to prevent (Martin and Pranter 1989) and even recover from customer misbehavior (Huang 2010).

The fifth stream, at the centre of current research, is comprised of the impact of situational influences on reaction to customer misbehavior. Typically, existing studies are framed within a specific academy, including physical settings (Martin 1996) and antecedent states such as mood and prior expectations (Raajpoot and Sharma 2006). These studies do not consider, however, what happens to an individual’s evaluation of the service experience if accompanied by someone such as a close friend or six colleagues who share the same negative experience? In addition, customers usually have different reasons for buying products or services, such as utilitarian and hedonic. How is dissatisfaction with a service firm at the time of customer misbehavior affected by the different consumption goals?

The aim and primary focus of this study is to answer these questions. We specifically focus on the evaluation of customer B’s misbehavior from the affected customer A’s perspective. More precisely, this study investigates how A’s social surroundings (such as the size of companions and tie strength with companions) and consumption goals influence A’s dissatisfaction evaluations toward a service firm when he/she suffers from B’s dysfunctional behavior.

**METHOD**

**Participants and procedures.** A 2 (social size: small vs. large) × 2 (tie strength: strong vs. weak) × 2 (consumption goal: utilitarian vs. hedonic) between-subject factorial design was used to test our predictions. Two hundred forty working adults took part in the survey. Of these, 7 responses were eliminated from the analysis due to incomplete data.

Participants were asked to read a written scenario. In the scenario, it was stated that the participant was dining with someone in a quiet restaurant. However, they became irritated by some other loud noisy patrons. In the strong tie condition, the companion is assumed to be a close friend; in the weak tie condition, the companion is assumed to be a colleague. In the small group condition, one person joins the diner; versus six people in the large group condition. In the utilitarian condition, the consumption goal is to seek useful information for a job interview; in the hedonic condition the purpose is to celebrate a birthday.

**Dependent variable and covariates.** Dissatisfaction with the service provider was measured using the scale adopted from Hess, Ganesan and Klein (2007). Since there has been considerable research has identified failure severity as a potential moderator of customer satisfaction (Huang 2008; Mattila 2001), Huang’s (2008) 2-item failure severity measure was used to assess severity of customer misbehavior account for potential variation. In addition, studies also suggested that the importance of a task may influence a customer’s evaluation of products or services (Hess et al. 2007; Mattila 2001). A measure of task importance (Hess et al. 2007) was therefore included in the questionnaire to ascertain potential covariation.

**RESULTS**

We analyzed the effects of social size, tie strength and consumption task on dissatisfaction scores by analyses of covariance (ANCOVA), using failure severity and task importance as the covariates.

The ANCOVA results revealed that both of the covariates were significant (p’s < .06). The corresponding cell means were adjusted accordingly for the analysis of covariance and planned comparison main effects testing. As can be seen, there was an insignificant main effect for social size (Msmall group = 4.97 vs. Mlarge group = 4.99; F(1, 214) = .03, p = .863), such that participants in the small and large social groups reported similar high scores for dissatisfaction toward a service firm in cases of other customer misbehavior. In addition, a significant main effect was detected for tie strength (Mweak tie = 5.78 vs. Mstrong tie = 5.82, p < .05). However, this finding was qualified by a significant three-way interaction effect between social size, tie strength and consumption goal (F(1, 214) = 6.85, p < .01). No other findings were significant.

When the consumption goal for restaurant dining was utilitarian, there were no significant differences between the small and large social group participants in terms of dissatisfaction with the service provider when the strength of the tie was strong (Msmall group = 4.84 vs. Mlarge group = 4.75; F(1, 214) = .10, p = .755), but there were significant differences when the tie strength was weak, such that participants in the large social group reported higher dissatisfaction than those in the small group (Msmall group = 4.89 vs. Mlarge group = 5.47; F(1, 214) = 4.34, p < .05). In contrast, when the consumption goal for restaurant dining was hedonic, participants in weak tie groups reported higher dissatisfaction when the social size was small than large (Msmall group = 5.42 vs. Mlarge group = 4.82; F(1, 214) = 4.54, p < .05). However, there was no difference.
in dissatisfaction for participants in the small and large social groups when the tie strength was strong ($M_{\text{small group}} = 4.73$ vs. $M_{\text{large group}} = 4.93$; $F(1,214) = .50$, $p = .478$).

**GENERAL DISCUSSION**

Our findings suggest that, regardless of the consumption goal, social size only influences consumers accompanies by weak tie companions (e.g., colleagues) rather than strong tie companions (e.g., close friends). More specifically, when the consumption goal was utilitarian, participants in the weak strength large group reported higher levels of dissatisfaction than participants in the weak strength small group, but there were no significant differences in dissatisfaction between the small- and large-social group participants when the tie strength was weak. On the contrary, when the consumption goal was hedonic and the tie strength was weak, small group participants experienced greater dissatisfaction with the service provider than those in the large group, but there were no significant difference when the tie strength was strong.

**REFERENCES**


Customer Responses to Dynamic Pricing: Effects of Price Difference and Price Favorability
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EXTENDED ABSTRACT
Dynamic pricing, the practice of charging different prices for the same goods across different markets, is gaining popularity among practitioners (Levy et al., 2004; Sinha, 2000). Dynamic pricing can be perceived as an unfair means to acquire surplus from selected customers; and therefore, can potentially reduce customer trust and threaten the customer-firm relationship (Lii and Sy, 2009; Mattila and Choi, 2005). Moreover, unfairness perception leads to unfavorable behavioral responses, such as store switching, complaining, and negative word-of-mouth (Campbell, 1999; Homburg et al., 2005a; Schoefer and Diamantopoulos, 2008a; Xia et al., 2004).

RESEARCH QUESTIONS
This study identifies two factors that may influence perceived unfairness of dynamic pricing and consequent behavioral intentions, namely, magnitude of price difference and price favorability (i.e., paying a lower vs. a higher price). The first research question that this study attempts to address is: (1) would an increase in the magnitude of price difference show the same effect on customer reactions regardless of whether a lower price or a higher price is paid? If customer reactions are always linearly related to the amount of price difference, retailers may not need to worry too much when imposing a large price difference, because the negative responses from customers who pay high can be cancelled out by the positive responses from those who pay low, and hence the overall customer evaluations would remain unchanged. However, if the linear relationship does not hold, retailers would need to know where a stop line should be drawn. Our second research question is: (2) what are the mechanisms underlying cognitive processes (i.e., unfairness perception) being translated to behavioral responses? Understanding this issue would enable retailers to better cope with customers’ unfavorable responses and thus minimize negative consequences.

Effects of Magnitude of Price Difference.
When customers notice a discrepancy between a new price and its reference price, they will take into account the similarity between the two transactions to evaluate the price fairness (Xia et al., 2004). When the transactions are perceived to be highly similar, according to equity theory, perceived price unfairness is positively related to the magnitude of price difference (Homburg et al., 2005a). Hence, given the research context of this current study in which transaction similarity is perceived to be high, we expect a price to be judged as more unfair as the price difference increases. We also hypothesize a positive effect of magnitude of price difference on customer intentions for store switching, complaining, and negative word-of-mouth.

Effects of Price Favorability.
Many prior studies suggest that people react more positively when outcomes are relatively favorable rather than unfavorable and that favorable outcomes lead to less unfair perceptions and higher outcome satisfaction (Ambrose et al., 1991; Anderson and Patterson, 2008; Conlon, 1993; Diekmann et al., 1997). Hence, we hypothesize a negative effect of price favorability (favorable vs. unfavorable) on perceived price unfairness and behavioral intentions.

Interacting Effects between Price Difference and Price Favorability. Paying a price that is lower than the reference price is perceived as a gain. Conversely, paying a higher price is perceived as a loss. Prospect theory posits that people react differently to perceived gains versus losses and that, in general, people react more negatively to losses than they react positively to gains (Kahneman and Tversky, 1979).

Role of Experienced Emotions.
The consequences of unfairness perception are not only behavioral but also emotional (O’Neill and Lambert, 2001; Schoefer and Diamantopoulos, 2008a). According to appraisal theory, unfairness perception is typically accompanied by negative emotions such as anger, annoyance, and discontentment (Schoefer and Diamantopoulos, 2008a, b). Bagozzi et al. (1999) suggest that emotions arising from a particular purchase situation may be more strongly associated with behavioral intentions than with cognitive evaluations of the situation. Therefore, we hypothesize that the experienced negative emotions mediate the relationship between perceived price unfairness and the behavior intentions.

METHOD
To test the above hypotheses, we employed a 2 (magnitude of price difference: small vs. large) X 2 (price favorability: paying a lower vs. higher price) between-subjects design. Respondents were local residents in Hong Kong and data were collected using street intercept techniques over a two-week period. Respondents were provided with a scenario in which they purchased biscuits from a store at Price 1, and during the same day they found out that a different store in the same supermarket chain was selling the same biscuits for Price 2. The two prices for the small-difference condition were US$3.00 and US$3.75, and for the large-difference condition US$3.00 and US$4.50. In total, 207 respondents provided v, and the sample size for
each condition ranged from 47 to 59. All measurement items utilized established and validated scales, although minor changes were made in some scales to suit the context of the study.

RESULTS
We first assessed the validity of measures using structural equation modeling (SEM), and then tested the hypotheses with MANOVA and ANOVA analyses, followed by mediation analysis using SEM. First, the overall model fit was satisfactory, and the measurement model demonstrated acceptable reliability, convergent validity, and discriminant validity. Second, a series of ANOVA analyses supported all the hypothesized main effects of difference magnitude and price favorability, and their interacting effects on store switching, complaining, and negative word-of-mouth. Inconsistent with our expectation, the interaction effect was not significant for unfairness perception. Finally, SEM mediation analysis indicated that negative emotions fully mediated the relationship between unfairness perception and store switching, between unfairness perception and complaining, and partially mediated the relationship between unfairness perception and negative world-of-mouth.

This study suggests that managers should exercise extra caution when introducing a relatively large price difference because customers are more sensitive to price increases. Also, managers should try to manage customers’ in-store emotional state, for instance, by arranging atmospheric elements in a store (i.e., color, lighting, music, scents, and store layout), to minimize the negative consequences of dynamic pricing.

REFERENCES


Social Online Community Behavior and Its Driving factors – A Cross-Country Comparison between the US and China

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EXTENDED ABSTRACT

Social online communities (e.g. facebook) play an important role in today’s business world and people’s daily life. Companies from all industries are eager to understand social online community behaviors and activities, as well as the consequences of those behaviors and activities. Despite the importance of the behaviors and activities in social online communities, few empirical researches have been conducted to address those issues. To better understand those behaviors and activities, this research develops a taxonomy of Social Online Community (SOC) behaviors and activities and a framework to examine the relationships between the social online community behaviors/activities and their consequences.

To build the taxonomy of SOC behavior, we first use multiple qualitative approaches (including literature search, observations, depth interview, and focus group) to develop SOC constructs which classify all the major activities. Then, we use the data we collected with a survey instrument from the US (n=267) and China (n = 254) to verify the measures empirically for those two countries independently and separately with structural equation modeling approach. The survey in the US is in English and the one in China is in Chinese. The Chinese one has been used the back translation approach to make sure that both questionnaires are the same in the respondents’ languages. Finally, based on the recent SOC literature and cross-cultural research, we develop a theoretical framework and a set of hypotheses on the relationships among consumer online community behavior, consumption experience, and community loyalty. Cross-country differences are examined.

Online community behavior consists of a rich set of activities, updating the profile and status, uploading photos, and comment on others’ posts. People chat with people, play games, and use many other applications. Because of the richness of the online community behaviors, it is important to classify the online community behaviors into both empirical and theoretically sound categories. Based on our literature review, qualitative studies, and the empirical tests, we are able to build the taxonomy of SOC behavior as the following dimensions: public posting, personal communication, and entertainment.

Next, based on the theoretical framework and our cross-cultural analysis, we develop the following hypotheses:

H1a: Public posting leads to rational benefit
H1b: Personal communication leads to rational benefit
H1c: Entertainment leads to rational benefit
H2a: Public posting leads to emotional benefit
H2b: Personal communication leads to emotional benefit
H2c: Entertainment leads to emotional benefit
H3a: Rational benefit leads to community loyalty
H3b: Emotional benefit leads to community loyalty
H4a: Rational benefit is a stronger driver for community loyalty in eastern-collectivistic societies in comparison to western-individualistic societies
H4b: Emotional benefit is a weaker driver for community loyalty in eastern-collectivistic societies in comparison to western-individualistic societies
H5a: The influence of public posting on rational benefit is stronger in eastern-collectivistic societies in comparison to western-individualistic societies
H5b: The influence of public posting on rational benefit is stronger in eastern-collectivistic societies in comparison to western-individualistic societies
H6a: The influence of personal communication on rational benefit is stronger in western-individualistic societies in comparison to eastern-collectivistic societies
H6b: The influence of personal communication on emotional benefit is stronger in western-individualistic societies in comparison to eastern-collectivistic societies
H7a: The influence of entertainment on rational benefit is stronger in eastern-collectivistic societies in comparison to western-individualistic societies
H7b: The influence of entertainment on emotional benefit is stronger in western-individualistic societies in comparison to eastern-collectivistic societies

Most of the hypotheses above are confirmed by our cross-country data. Academically, this paper contributes to the online community literature by establishing taxonomy of online activities including public posting, personal communication, and entertainment. Each of the dimensions captures a set of very unique and important online community behaviors. The three dimensions of the taxonomy have been empirically confirmed and show cross-cultural consistency.

Furthermore, this study establishes a theoretical framework to explain how online community behaviors affect their outcomes, and why and how people keep loyal with their online community. In particular, this study enriches the cross-cultural online community research by showing the differences and similarities between the western-individualistic and eastern-collectivistic societies in their online community behaviors. The implications for the management and the future research are discussed in detail in the full paper.
When Word of Mouth Leads to Consumer Herding: An Experimental Study
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EXTENDED ABSTRACT

In this paper, we present experimental evidence of a new type of consumer herding. A major departure of our setting from standard herd behavior models in economics, such as Banerjee (1992) and Bikhchandani et al. (1992), or their experimental counterparts such as Anderson & Holt (1996, 1997), is that agents only have imperfect information about the history of play of other agents in the model we test. This departure has grown out of our primary objective in studying how information exchange through interpersonal word-of-mouth (WOM) communication affects consumer decision making in a simple social network. The fact that we study WOM in a social network also distinguishes us from models like Banerjee & Fudenberg (2004), in which agents obtain information from randomly sampled agents in the population. In the standard herd behavior models, agents are first given independent private signals and then learn by observing the “silent” signals of other agents’ choices in public; in the present model, consumers are not given independent private signals and learn by communicating only with fellow consumers in their local network environment over those consumers’ choices and consumption experience. The different modes of information exchange give rise to different types of herd behavior, the latter of which is the focus of our study.

Our experiment involves a multi-period game with several components: (a) every consumer needs to adopt exactly one unit from a product category; (b) for the adoption, the consumer has to decide between a new product with uncertain expected utility (which follows a distribution with commonly known prior) and an outside option with well-known expected utility; (c) every consumer may receive WOM information about the products from her network neighbors, which potentially enables the consumer to update her knowledge about the new product; (d) one pre-specified consumer makes an adoption decision at the beginning of the first period of the game, who is followed by her neighbors at the beginning of the second period, who are in turn followed at the beginning of the third period by their neighbors who have not yet adopted, and so on. The model allows for consumer heterogeneity and random variations regarding how much benefit the new product might bring to an individual consumer. To model WOM communication, if a consumer makes an adoption at the beginning of a period, her consumption utility or experience is realized later in the same period, and her adoption decision as well as consumption experience are passed on to consumers linked to her in the network who would be deciding at the beginning of the next period. In other words, each consumer-to-consumer message consists of two elements: adoption decision and consumption experience.

A major conclusion of the more general theory (Mak 2008) that is based on the above considerations is that, as long as the new product is just “moderately less risky” to adopt than the outside option, then the first adopter wields pivotal influence on the choices of others to the extent that her having bad consumption experience with the new product will lead to zero adoption of the new product in the rest of the social network, despite the new product being the a priori choice. This can happen even if she only communicates directly with a few “first-tier” network neighbors. The reverse phenomenon, namely that the first adopter having good consumption experience of the new product is sufficient to cause full adoption of it in the rest of the society, is also possible given the same “moderately less risky” premise, but only if the social network satisfies certain conditions in addition. The mechanism behind these phenomena is such that consumers – except those who are immediate network neighbors of the cascade – imitate the adoption decisions of those of their network neighbors who adopt before them, regardless of whether those neighbors have positive or negative post-adoption consumption experience – although such information is available as part of the WOM message. In other words, part of the informational function of the modeled WOM communication becomes virtually defunct. Cascades of new-product (outside-option) adoption may be triggered simply because the first adopter’s consumption experience with the new product has been “good” (“bad”) and tells her neighbors accordingly.

Our experiment is most importantly an attempt to create such cascades under laboratory conditions. We use as our object of investigation a simple “chain” network of four players, of which the player at one end of the “chain” is the first adopter. For the purpose of clear comprehension by the subjects, the two alternatives are presented as lotteries, and the consumption experience (at two levels) is translated to lottery payoff. Overall, the decision task is framed as a “two arms slot machine game”. One arm, representing the outside option, yields the high and low payoffs with fixed, known probabilities. But for the other arm, which represents the new product, the probability of yielding a high payoff, though fixed within any round, is not known for sure by the players, who are only given a commonly known “prior” or probabilistic distribution of that probability. We create and run three between-subject experimental conditions by manipulating the probability of yielding a high payoff for the “outside option” lottery at three levels. Theory predicts that cascades occur under all three conditions, and in one condition the type of cascade (new product vs. outside option) depends crucially on the first adopter’s “consumption experience” in the aforementioned sense. We indeed create cascades successfully under all conditions. We also find evidence of increasing frequency of cascades that comes with increasing strategic sophistication as the game proceeds. Coupled with the fact that some of the cascades we identify are in fact inefficient (meaning that the choice in the cascade is the ex post inferior choice), we conclude that cascades under our localized information setting are indeed possible in reality, and can lead to (a) failure of new-product diffusion simply because of a chance failure of the new product with the first adopter, and (b) the consumer population making the inefficient adoption decision, again because of a single experience by the first adopter.
REFERENCES
A Cross-cultural Study of Consumer Responses according to Visual Merchandising Type and Situational Involvement
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EXTENDED ABSTRACT
As numbers of Korean fashion companies expand marketing activity in China, the necessity of cross-cultural study to understand the differences in consumer behavior between Korea and China is emphasized. From the academic perspective, many researchers have examined characteristics of Chinese fashion consumers(Chen & Shih, 2004; Kang & Sohn, 2008; Kim & Sayi, 2009; Parker et al., 2009; Rahman et al., 2008; Wu and Delong, 2006; Yu, 2008) Despite the previous researches which have investigated marketing strategies running in Chinese market and various characteristics of Chinese fashion consumers, most of them dealt mainly on general marketing strategy focused on 4Ps. In addition, there were little cross-cultural studies carried out in retailing view. Specifically, there was no research identifying the differences in consumer responses for Visual Merchandising (VM) between Korea and China. Therefore, this study aims to compare the differences in persuasive effectiveness according to VM type between subjects in Korea and China, and to examine the interaction effect of VM type and situational involvement. This study will provide practical information for the effective VM strategy when Korean fashion brands adapt them to new Chinese fashion market and vice versa.

This study examines the differences in consumer responses according to VM type between consumers in Korea and China including the moderating roles of situational involvement. Based on literature review, it was hypothesized that: (H1) consumer responses such as attitude toward VM, brand attitude, and purchase intention according to VM type would be different between Korean and Chinese consumers, (H2) the moderating effect of situational involvement in the effect of VM type would be different between Korean and Chinese consumers.

For the experiment, 2(VM type: sensual vs. utilitarian) x 2(situation involvement: high vs. low) x 2(Nation: Korea vs. China) factorial design was used. A total of 400 consumers in Korea and China participated in the experiment. To represent different experiment conditions, two different types of VM and two different scenarios of situational involvement were created. After respondents were exposed to VM stimuli and scenarios, they answered the questionnaire. For the measure, attitude toward VM was measured as the degree of liking or disliking for exposed store’s VM and four items adopted from Mackenzie and Lutz(1989) and Baker et al.(1992) were used. (reliable/distinguished from other brand/fashionable/attractive). Brand attitude was defined as overall affective favorability for the brand and measured with four items(like/in favor of/be pleased about/be satisfied with). Purchase intention was defined as a degree that the viewer intended to buy the brand in the exposed stores(an intention/plan/possibility to purchase the brand of the store that I saw now in the future). Korean and Chinese questionnaires were composed accordingly in content and context.

As predicted, the results showed that Korean consumers responded more positively to sensual VM in attitude toward VM, brand attitude, and purchase intention, while Chinese consumers responded more positively to utilitarian VM in attitude toward VM, brand attitude, and purchase intention. In addition, in Korean consumer group, moderating effect of situational involvement according to VM type was produced in purchase intention, while, in Chinese consumer group, moderating effect of situational involvement was produced in attitude toward VM and brand attitude. With the cross-cultural interpretation of the findings, strategic implications and suggestions for the global fashion retailing, specifically fashion VM, are provided.

REFERENCES
EXTENDED ABSTRACT

In today's market scenario, consumers are bombarded with similar promotional messages. It implies that managers have to pay attention to promotion strategy to create strong effect as well as to break through the monotony. In this context, although there are strong needs concerning tie-in promotion, research investigating tie-in promotion is limited. Specifically, tie-in promotion classification was mainly executed at the strategic view of company(Abbott, 1980; Farris and Quelech, 1983; Kureshi and Vyas, 2004; Varagarajan, 1986). That is to say, previous tie-in promotion classification was made at the aspect of combination of intra-company/inter-company or horizontal/vertical. Thus, this study was intended to approach tie-in promotion classification at consumer view.

To do this, a three step study was executed. First, we extracted tie-in promotion tools and defined the concept of each tie-in promotion tool by analyzing various tie-in promotion cases which are executed in current market. Famous brands' homepages of each 7 industry(automobile, food service, fashion/clothing, finance/card/insurance, hotel, food product, distribution) were selected as analysis sites because internet homepages include diverse tie-in promotion cases and it is easy to search. As a result, 12 tie-in promotion tools were extracted: tie-in price reductions, tie-in coupons, tie-in membership, tie-in contests, tie-in premiums (tangible, intangible), tie-in payment terms, tie-in sample, tie-in event(culture event, charity event, experience event) and tie-in refund/rebate.

Second, consumer's recognition of tie-in promotion was investigated through the in-depth interview. Industry practitioners and experts related to promotion area were included as interviewees. As a result, 3 categories of the recognition of the consumer for tie-in promotion were extracted: features of preferred tie-in promotion, expectation benefit of tie-in promotion, and risk factors of tie-in promotion. Especially, at the aspect of features of preferred tie-in promotion, fit between consumer pursuit benefit and tie-in promotion supplying benefit as classification criteria of tie-in promotion tools.

Third, an experiment was applied in order to classify tie-in promotion tools by the criteria of benefit-fit between consumer and tie-in promotion. For experiment, first, telecommunication(SKT) and family restaurant franchise(Outback Steak) brands were selected as experiment brands through a preliminary survey. The two brands are often used by university students and they use tie-in promotion strategy frequently. And then, one advertising stimuli using the selected two brands was created and 12 tie-in promotion scenarios were developed. 139 data were obtained for each scenario from college students. For the measurement, 4 items were developed in order to measure benefit-fit between consumer and tie-in promotion at the aspect of utilitarian and hedonic. SPSS 18.0 was adopted for exploratory factor analysis, reliability analysis, cluster analysis and simple scatter. Manipulation check was executed to confirm the representativeness of one advertisement stimuli and 12 scenarios. As a result, benefit-fit was divided into two factors such as hedonic-benefit fit and utilitarian-benefit fit, while tie-in promotion tools were classified into 4 types such as high hedonic benefit-added, high utilitarian benefit-added, low hedonic benefit-added, and low utilitarian benefit-added. It is believe to reflect consumers' view realistically in that these 4 tie-in promotions are benefit-add type which dominates a benefit with two coexisting opposite benefits.

Public Policy Satisfaction and Subjective Well-being
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EXTENDED ABSTRACT

PURPOSE
This study aims to examine the relationship between policy satisfaction and subjective well-being, in which policies refer to social security and income distribution, and subjective well-being includes work and life satisfaction. In addition, differences in subjective well-being between various income, age, and education groups in the context of policy satisfaction are also examined.

UNIQUENESS
Compared to previous research, this study has following unique features: 1) This study investigated the association between subjective well-being and satisfactions for public policies closely related to consumer life, such as income distribution and social security, which are major policy concerns in a transition economy with rapid economic growth and dramatic social change; 2) This study employed subjective measures to directly measure consumer satisfactions for public policies regarding income distribution and social security, while much previous research used objective measures of these policies; 3) This study used a comprehensive measure of subjective well-being that relates to several aspects of life, such as satisfaction for income, work, human relationship, housing, and family life; and 4) This study used structural equation modeling to quantify complex relationships between demographic factors, policy satisfactions and subjective well-being.

HYPOTHESES
Based on the literature of subjective well-being (Alesina, Di Tella, and MacCulloch 2004; Diener, Suh, Lucas, and Smith 1999; Easterlin 2001; Oswald, 1997) and Chinese consumer behavior (Sun 2002; 2010), we developed following hypotheses: 1) The more satisfied are consumers with public policies, the higher their subjective well-being; 2) Subjective well-being of the high-income group is higher than that of the low-income group; 3) Subjective well-being is distributed in a U-shape along with age, i.e. subjective well-being of the young or the old is higher than that of the middle-aged; and 4) The higher are people educated, the higher their subjective well-being.

METHOD
The data used in this study were collected from the “Survey of 2005 Beijing Residents’ Opinions on Constructing a Harmonious Society” by Beijing Statistics Bureau. The survey used Beijing residents’ phone numbers as the sampling frame and selected the samples by random dialing. Telephone interviews generated 2,113 useful samples. The survey questions included three parts. The first part includes demographic characteristics such as gender, education, occupation, income, etc. The second part is about subjective well-being, including five indicators regarding various aspects of life. The third part is about social justice conditions, which also has five operational indicators. After principal component analyses were employed on indicators of subjective well-being, two factors were identified and labeled as work satisfaction and life satisfaction, respectively. Also two factors on satisfactions for public policies were identified through principal component analyses and one was labeled as income distribution and the other as social security. Two sets of structural equation modeling were used to test the hypotheses.

FINDINGS
The results supported hypothesis 1. Specifically, the more satisfied are consumers with income allocation policies, the higher is their well-being; the more satisfied are consumers with social security policies, the higher is their well-being. Besides, results also indicate that satisfaction for income allocation policies had the most impact on work satisfaction, while satisfaction for social security policies had the most impact upon life satisfaction.

When demographic variables were introduced in the structural model, impacts of both policy satisfaction variables were decreased. The findings showed that subjective well-being and income had a positive association that supported hypothesis 2. For both work satisfaction and life satisfaction, the high income group rated the highest, the middle-income lower, while the low-income the lowest, which suggests given other conditions, income plays a decisive role in well-being.

Among different age groups, well-being showed different patterns. Young consumers had both high work satisfaction and high life satisfaction, the middle-aged had comparatively high work satisfaction but comparatively low life satisfaction, while the old had comparatively high life satisfaction but low work satisfaction. The middle-aged consumers’ comparatively low life satisfaction is related to social security and income distribution policies. In order to pay children’s tuitions, mortgage, and also aging parents’ medical expenses, the middle-aged have to work hard and live frugally, without time to enjoy their own life. The findings partially supported hypothesis 3.

Education was related to work satisfaction only. Consumers with high school or higher education had higher work satisfaction than those with lower education. But education was not related to life satisfaction. Then hypothesis 4 is partially supported.

POLICY IMPLICATIONS
Social security and income distribution policies have important impacts on consumer subjective well-being. We can see from subjective well-being whether these policies are consumer-oriented and supported by consumers. Therefore, well-being should be a goal of social security and income distribution policy making.

Income is a major factor in deciding well-being and then economic development is still essential. No doubt that happiness is important, but we do not over-emphasize it by excluding GDP. The improvement of social security and justice of income allocation rely on economic development and the continuing accumulation of social wealth. Only
through adequate economic development can social security system be built and enhanced and income distribution mechanism be improved. Then consumers can enjoy a long-term, stable well-being.

As for social security policies, the government should further emphasize on healthcare and education. It should fully secure consumer right to receive education and introduce free education step by step; fully guarantee consumer right to access basic healthcare and public sanitation, enable consumers to afford medical payments and obtain health services equally; and also assure consumer right to afford a residence. Although we do not suggest that government should provide free housing to all consumers, however, government has its inevitable responsibility in controlling the housing price and improving living conditions.

As for income distribution, while the government is emphasizing the function of redistribution, it should also interfere with the primary distribution in labor market to ensure its justice, protect labor rights, and improve work satisfaction of low income and low education workers. Besides, long term goals of government should not only pursue economic growth, but also improve consumers’ income and subjective well-being.

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The Boundary of the Effects of Consumer Innovativeness in New Product Evaluation: The Role of Situational Strength

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EXTENDED ABSTRACT
When companies launch their new products, innovators are likely to be their main target for the following reasons (Rogers 2003). First, they are earlier adopters of new products. Second, their roles as opinion leaders influence later adopters. The literature documents consumer innovativeness as an important personality trait for a new product to succeed (Klink and Athaide 2010; Venkatraman 1991; Xie 2008). However, extant researches indicated the effect of consumer innovativeness on adoption behavior is inconsistent (see Im, Mason, and Houston 2006). Consumer innovativeness has less effect on extension attitude and extension success under brand extension contexts (Martínez and Pina 2010; Vlóckner and Sattler 2006), but has more effect on new product evaluations under new brand context (Klink and Athaide 2010). The contrasting results make a question salient: When is consumer innovativeness less (more) important for a new product to succeed? The purpose of this article is to explore the boundary of the effects of consumer innovativeness on new product evaluations under situations of different strengths.

THEORY AND HYPOTHESES
Consumer Innovativeness
Consumer innovativeness is defined as the global personality trait to desire the new experiences, and has sensory and cognitive dimensions (Hirschman 1980; Hirschman 1984). Observable characteristics (e.g., marketing strategy or communication) may work with consumer innovativeness to determine the probability of a new product being tried (Steenkamp and Gielens, 2003). Mischel (1968) argued that the influence of personality traits (e.g., consumer innovativeness) on human behavior should not be studied alone without considering situational cues. Thus, relevant situational cues in the introduction of new product are discussed the next.

Branding Strategies and Perceived Fit as Situational Cues
When introducing a new product, a firm can choose branding strategy among the options of brand extension, sub-branding, and new branding. Brand extension is used when a firm leverages an established brand. Sub-branding is used when an established brand is combined with a new brand name. New brand is used when a wholly new brand name is created (Keller 2003). A firm can also decide on fit levels and this decision influences the perception of fit. Perceived fit is defined as the degree to which consumers perceive a new product as being similar to other products affiliated with the brand (Smith and Park 1992). The branding strategy and perceived fit are two important factors that influence the success of new products (Aaker and Keller 1990; Bhat, Kelly, and Donnell 1998; Smith and Park 1992; Vlóckner and Sattler 2006). In the evaluation of new products, situational cues such as branding strategy and perceived fit may interact with consumer innovativeness. We discuss this possibility under the theory of situational strength.

Theory of Situational Strength
Mischel (1977), Meyer, Dalal, and Hermida (2010) propose that cues in the environment can implicitly or explicitly construct situations with different strengths on the mind of consumers, which in turn would hint consumers to respond in certain ways. Under stronger situations, the suggested behavior is clear, people will behave in a similar manner, and individual differences will be less important. Under weaker situations, the suggested behavior is ambiguous, and people will behave based on their personality traits. It seems that whether consumer innovativeness will facilitate the diffusion of a new product may be dictated by the strength of situation involved in the new product introduction. Branding strategy and perceived fit correspond to the two dimensions of situational strength: clarity and consequence with valence, respectively (Meyer et al. 2010).

Situational Strengths Constructed by Branding Strategies and Perceived Fit
Different matches of perceived fit and branding strategy may form cues about the quality of a new product for the consumers as they go through a cognitive processes of new product evaluation. According to the theory of spreading activation of memory, cues can facilitate activation of knowledge about the parent brand to the different degrees (Anderson 1983). Specifically, under brand extension, the activated knowledge is more complete; while under sub-brand, owing to the new brand association may interfere with the old brand facts, so that the parent brand knowledge is only partially activated. Under new brand, the parent brand knowledge is not activated at all. Based on the previous research (e.g., Aaker and Keller 1990), if consumers perceive the new product fit well (worse) with the parent brand, they will have positive (negative) associations such as high (low) quality and reliability. Thus, perceived fit corresponds to the consequence (with valence) dimension of situational strength; and branding strategy corresponds to the clarity dimension. Therefore, high (low) perceived fit suggests positive (negative) consequences, and if it is coupled with different brand strategies, the strengths of the situations differ. Specifically, the suggested positive (negative) consequences are stronger for brand extension than for sub-brand and new brand as well. Consumers are likely to include these situational strengths to the evaluation of new products.

H1a: When perceived fit is high, consumers will evaluate the new product with the extended brand more favorably than that with the sub-brand, and will evaluate the new product with the sub-brand more favorably than that with the new brand.
H1b: When perceived fit is low, consumers will evaluate the new product with the new brand name more favorably than that with the sub-brand, and will evaluate the new product with the sub-brand more favorably than that with the extended brand name.

Consumer Innovativeness and the Effect of Situational Strength

Previous researches point out consumer innovativeness has positive effects on new product evaluation, yet the effects vary with different branding strategies. While some researchers found this effect is greater under brand extension (Martínez and Pina 2010; Vlöckner and Sattler 2006), other researchers found the effect is greater under new brand name condition (Klink and Athaide 2010). The contradiction can be investigated by considering the effect of situational strength. As discussed in the previous section, stronger situations are constructed for new products with a brand extension strategy, than those either with sub-brand or with new brand, regardless of the perceived fit. Based on the theory of situational strength, the influence of personality (such as innovativeness) has less effect on individual’s behavior under strong situations. Therefore, we predict that the positive effects of consumer innovativeness on the evaluations of new products are attenuated (accentuated) under weak (strong) situations; that is, the difference of evaluation between high and low innovative consumers are larger when adopting a brand extension rather than a sub-brand or new brand strategy. We have the following hypotheses H2a and H2b:

H2a: Under high perceived fit, relative to consumers with low innovativeness, those with high innovativeness will evaluate the new product more positively, and this difference is larger when the firm adopts new brand than when it adopts either sub-brand or brand extension.

H2b: Under low perceived fit, relative to consumers with low innovativeness, those with high innovativeness will evaluate the new product less positively, and this difference is smaller when the firm adopts new brand than when it adopts either sub-brand or brand extension.

METHOD

Pretests were conducted to select the appropriate stimuli and to check the manipulation of treatments. We chose Nokia as the parent brand. MP3 player and facial cleanser were chosen as high and low levels of fit product categories. A 2(high and low consumer innovativeness) × 2(high and low levels of perceived fit) × 3 (brand extension, sub-brand, and new brand strategies) mixed design was adopted. Only the branding strategy was a within-subject factor.

RESULT

Branding Strategies and Levels of Perceived Fit

High perceived fit. The new product evaluation under brand extension is significantly larger than that under either sub-brand (M_{extension}=4.8, M_{sub}=4.5; F(1,59)=24.3, p<.001) or new brand (M_{new}=3.3; F(1,59)=26.9, p<.001). The evaluation under sub-brand is significantly greater than that under new brand (F(1,59)=196.7, p<.001). Hence, H1a is supported.

Low perceived fit. The new product evaluation under sub-brand is significantly higher than that under brand extension (M_{extension}=2.0, M_{sub}=2.5; F(1,59)=31.9, p<.001). The evaluation under new brand is significantly higher than that under either brand extension (M_{new}=3.6; F(1,59)=590.7, p<.001) or sub-brand (F(1,59)=211.3, p<.001). Hence, H1b is supported.

Consumer Innovativeness, Branding Strategies, and Levels of Perceived Fit

High perceived fit. The evaluation difference between consumers with high and low innovativeness is significantly larger under new brand than that under brand extension (M_{high inno and new}=3.68, M_{low inno and new}=2.88; M_{high inno and extension}=4.92, M_{low inno and extension}=4.67; F(1,58)=10.0, p<.01), and than that under sub-brand (M_{high inno and sub}=4.65, M_{low inno and sub}=4.41; F(1,58)=11.3, p<.001). Hence, compared with consumers with low innovativeness, consumers with high innovativeness evaluate the new product more positively, and this difference is bigger under new brand (weaker situation) than under either brand extension or sub-brand (stronger situations). H2a is supported.

Low perceived fit. The evaluation difference between consumers with high and low innovativeness is significantly smaller under brand extension than that under sub-brand (M_{high inno and extension}=2.20, M_{low inno and extension}=1.78; M_{high inno and new}=2.83, M_{low inno and new}=2.01; F(1,58)=6.75, p<.01), and than that under new brand (M_{high inno and new}=3.91, M_{low inno and new}=3.21; F(1,58)=4.73, p<.05). Hence, compared with consumers with low innovativeness, consumers with high innovativeness evaluate the new product less positively, and this difference is smaller under brand extension (stronger situation) than under either brand extension or sub-brand (weaker situations). H2b is supported.

CONCLUSION

Unfortunately, the effect of consumer innovativeness on new product evaluation does have boundary under stronger situations proposed by the theory of situational strength. Compared with weaker situations, stronger situations (indicating clear consequences) formed by different branding strategies and levels of perceived fit can constrain the advantages of consumer innovativeness over new product. This study has the following contributions to consumer behavior and new product development fields. First, the theory of situational strengths is used to explain the inconsistent results in literatures concerning the effects of consumer innovativeness on attitudes or behaviors. Innovativeness matters for new products with a new brand name because the situational strengths are weak (e.g., Klink and Athaide 2010); it does not matter for those with an extended brand name because the situational strengths are strong (e.g., Martínez and Pina 2010; Vlöckner and Sattler 2006). Second, we suggest that innovative consumers are not venturesome toward the new products in strong situations. This corresponds with Rogers (2003)’s statement that sometimes consumers are rational and not driven by their risk-taking propensity. We further indicate that stronger situations may explain why this risk-taking propensity is attenuated. When deciding on the new products, product managers should hold the principle of situational strength in
mind—whether their new product decisions construct a strong situation that makes targeting innovators less effectively.

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Harnessing the Power of Social Media for Social Causes
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EXTENDED ABSTRACT
In this exploratory study we conduct exploratory research to examine how social media is ‘consumed’ by nonprofits. Since this is a relatively low cost method compared to traditional methods to engage various stakeholder groups, nonprofits have increasingly turned to this tool. We used various exploratory research methods including content analysis of sites, interviews with nonprofits, focus groups and surveys with potential donors. Through our preliminary research, we found that this tool is being used in many ways to raise awareness and raise human and financial capital. Our preliminary research uncovered some challenges that nonprofits face in using this new tool such as creating compelling ways to be heard, competing for scarce resources in terms of time and money from supporters. Also, we found that dialogue between those engaged at the grassroots or field level was often lacking, in some cases due to lack of technology.

Nongovernmental organizations (NGOs) play an important role in community development by promoting the interests of the poor and empowering those who are socially and economically challenged. However, most NGOs depend on charitable giving of time and money by donors. In a survey of various nonprofits, Coffman (2005) found that getting financial and human capital were the top two challenges faced by nonprofits. A third challenge was gaining public awareness of the organization and its aims. One of the most effective ways for nonprofits to access potential donor base and disseminate information is through word of mouth. This is supported by recent studies (e.g. Cone Inc. 2007, Bhagat et al, 2010) in which philanthropic consumers stressed the importance of friend-to-friend communication. These studies also indicated that trust in the organization is an important component when making a philanthropic decision. It appears that trust in friends served as an endorsement for the charitable organization. It is therefore not surprising that charitable organizations in the U.S. have outpaced corporations and academic institutions in their use of social media, which leverages on social networks.

Longitudinal studies by Dartmouth researchers Barnes and Mattson (2010) indicated that almost 90% of the largest charities in the U.S. used some form of social media in 2009 including blogs, podcasts, message boards, social networking, wikis and Twitter. These results were based on a sample of the 200 largest charities listed in Forbes. How effective has social media been used by NGOs?

Social media is a relatively new medium of communication and many new applications are rapidly appearing. Given that navigating this new medium is itself time consuming, it is worth exploring how this medium has been utilized by nonprofit charities. This will allow us to see where social media efforts still need to directed. The purpose of this research is threefold.

First, we identify the many ways social media is being used by nonprofit organizations. Is it primarily to raise funds, to mobilize volunteers, engage potential donors or are there other functions it is being used for? What are some ways social media inherently lends itself to promoting the cause of nonprofits? Are different stakeholder groups being engaged? For many non-profits not only are supporters who donate money and time an important stakeholder group, but also those who benefit from the charities. Are beneficiaries being engaged in any way through social media?

Second, we would like to cull out the challenges that navigating this medium poses. Although this medium has been touted as a cost effective tool, is it really that simple to incorporate and assimilate this into communication strategies for the nonprofit? Are the challenges faced by NGOs of different sizes and types of causes they address different?

Third, we will analyze how NGOs can use traditional marketing communication methods and techniques to use social media even more effectively. What methods can smaller NGOs use in order to stand out from the many competing messages for donors’ attention within social media networks?

Overall, our goal is to draw lessons for smaller international NGOs that serve those who are economically challenged (commonly called those at base of economic pyramid) in developing countries. Since such organizations operate with practically no marketing communication budgets, word-of-mouth communication is more critical for such organizations since they operate with practically no communication budget.

METHODOLOGY
We used multiple exploratory research methods. These included review of published studies on use of social media by nonprofits, content analysis of websites and blogs by thought leaders in social media use for nonprofits and in-depth interviews with members of non-profit organizations.

We interviewed founding members of two small NGOs, Sahaya International and Holy Innocents Children’s Hospital in Uganda and active donors of ASHA, a larger NGO. All three NGOs are incorporated in California, although they provide either health or education to children in India or Africa.

We conducted surveys to find out motivations to donate to charities and whether the type of cause and familiarity with the organization would have an effect on intention to donate time and money. Our hypothesis is that chronic problems like illiteracy may not have the immediacy effect in drawing donors as compared to traditional methods to engage various stakeholder groups.

PRELIMINARY RESULTS
How Social Media is commonly being used
One of the primary ways social media is being by nonprofits is to gain new supporters and build better relationship with existing supporters. Implied in this goal is to raise awareness of the cause itself. According to the Dartmouth study mentioned earlier, the popular social media tools used by the Forbes 200 charities are: blogging (includes video blogging), social networking and twittering. According to a report by Idealware (2010), although 80% of those surveyed thought they reached supporters, only 25-35% could
confirm they were reaching supporters. Clearly ways of measuring reach is a challenge.

The manner in which social media is being used to engage supporters also makes a difference. Sharing stories of personal experiences is one of the powerful ways this can be done. The March of Dimes’ Share Your Story is one method. This is a wiki that encourages parents to share their stories about having a premature baby. This promotes a sense of community with parents sharing a similar experience and with the organization. According to social media thought leader, Beth Kanter (2009), supporters of this blog raised several thousand dollars for the March of Dimes in the memory of a toddler who died. Room to Read’s Facebook blogging is another method. The organization has a Facebook page with over 11,000 followers where volunteers actively blog, share their experiences, organize fund raising and informational events and also recruit new members worldwide. However, smaller nonprofits are unlikely to draw sufficient traffic to their sites before stories can even be shared.

Our survey results indicated that potential donors were more comfortable supporting a charitable organization if the cause it supported had an advocate they trusted. The two small nonprofits we interviewed were struggling to gain awareness and credibility with a new audience.

A second way social media is used is to directly raise money and goods. With online payment made easy and safe through credit cards and PayPal, this method is increasingly preferred for those who make small one-time donations. Many examples of how social media has been used to raise funds are documented by searching the Google pages. For example, The American Red Cross established a system to donate using mobile phones within hours of the January 12 earthquake in Haiti and raised $32 million when more than 3 million people texted the word “haiti” to make a $10 donation. In going through the various sites and interviewing the two nonprofits founders we found that one time small donations, especially for disaster type situations are easier to raise than those for chronic conditions like illiteracy or to have donors on a sustained basis. Five in-depth interviews on donor and volunteer motivations also highlighted this point. Overall, though competing for a limited pool from same social network creates donor fatigue, an issue that is already happening. Hildy Gottlieb, the author and President of Community-Driven Institute notes in her blog that fundraising using social media is not sustainable. Although the reach is bigger using social media, so is the number of nonprofits reaching out for donations. Clearly other ways of creating capital is called for. Recently social marketing startups have gained visibility through the PepsiRefresh project that asks the public to vote on the projects and give funds of varying amounts depending on votes garnered.

Although fund donations are more flexible and better utilized by beneficiaries, donating specific items such as high tech water filters have also been successfully mobilized using social media, especially after various disastrous natural events like earthquakes. Various organizations such as Pratham books, a non-profit that publishes high quality books for children at affordable prices and in multiple Indian languages, effectively used Twitter to mobilize volunteers to donate books in Bengali to children in rural villages in India. Through tweeting the right language books were collected fairly quickly.

A third way social media is being is to use the power of collective knowledge and experience for collaborating with supporters and bringing people with special skill sets who are able to donate their specialized expertise. This effectively leverages the altruistic motivations of people and at same time provides them with recognition within the community of supporters. For example, Lights. Camera. Help! is a nonprofit organization that is dedicated to encouraging other nonprofit and cause-driven organizations to use film and video to tell their stories. They do this through their education and volunteer match programs, screenings and an annual film festival. Mobilizing celebrities to raise awareness and solicit funds may also be tied into this at same time. For example, a number of non profits turned to social media to raise awareness of World AIDS Day on December 1. Social media-active celebrities such as Lady Gaga created attention by staging their cyber deaths and going silent on Twitter. They were able to raise $1 million. Product RED created a map to highlight World AIDS Day activity across the globe. Collaborative efforts can be used for educational purposes. For example, WeMedia brings technology experts together so that ideas and tools can be shared, especially useful for small startup nonprofits. However, this mass scale mobilization has been more effectively used by larger nonprofits. The smaller nonprofits we talked to had credibility and trust issues. One way they were trying to overcome this is through tie-ups with nationally and internationally known organizations FirstGiving that provided tools for correcting donations and Hope Walks that raises money for children with Aids.

**Challenges**

Although the reach and potential of social media to engage and mobilize people is far greater than earlier methods, given the sheer volume of information, potential consumers can be paralyzed and overwhelmed with this. As already mentioned, donor fatigue can set in even among current supporters. For non-supporters, the volume of info can be akin to the huge amount of advertising that we already see on the internet that we have learned to tune out. Many people on Facebook have “friends” who may not be casual acquaintances and many times people they barely know. VanRompay, the founder of Sahaya, when asked about how useful social media was in getting volunteers said, “I haven't really used Facebook to find volunteers, as so far, whenever we have an event like Hopewalks, we haven't had any problem finding volunteers via our regular connections with local clubs and groups.” Furthermore, Facebook contacts for nonprofits may not be a network of known people. VanRompay further noted, “The kind of volunteers I appreciate the most are the ones who also like to take some initiative, and for those I feel that often regular networks of friends and word-of-mouth referrals etc is often more productive than Facebook, as Facebook sometimes also attracts the wrong kind of people. So it requires extra caution when dealing with strangers.”

Lack of know-how and how to effectively team with appropriate partners and create compelling messages and websites is a problem that the founders of both the nonprofits we interviewed mentioned. However, this is not more a
capital resource constraint than one attributable to social media. Missing in most of the content searches we did, was a dialog between volunteers or beneficiaries and nonprofits. Often the communication is one-sided where these stakeholders were concerned. Most of the videoblogs talked about inspiring stories—how rewarding it was to build house, teach the kids and so on. Similarly, either pictures and photos of devastation that pulled your heart strings were shown or kids holding placards saying Thank You for the school, water, or whatever charitable deed that was done. The frustrations and problems fellow volunteers faced and ways they coped were scarcer. Similarly, beneficiary to nonprofits or between similar groups who benefitted were completely missing. One could argue that tools like social media are typically not available to poor villagers. While that is true, two-way dialog needs to happen for sustainable development. A blogger who identifies himself as Shawn, has narrated (Shawn, 2010) how villagers in Bangladesh felt they were being taken advantage of by many NGO personnel who wanted to help villagers selectively based on how the project would be perceived as a success by their own criteria. This did not compel the villagers to have meaningful and true dialog. Can social media be used to share stories of community ventures that succeeded or failed between the communities themselves? Does it really need one to be in a developed world to do this? Beth Kanter, a social media thought leader and innovator reported (NASSCOM Foundation 2010), “I had used my blog to raise funds to help a group of monks in Cambodia to help them spread education in villages. Social media can be used at the top as well as at the bottom of the pyramid and also can connect individuals.” Perhaps the monks can connect with each other using mobile phones to see what methods work or not.

**CONCLUSIONS**

In this exploratory study, we examine how social media is ‘consumed’ by nonprofits. Since this is a relatively low cost method compared to traditional methods to engage various stakeholder groups, nonprofits have increasingly turned to this tool. Through our preliminary research, we found that this tool is being used to raise awareness, solicit funds, engage current supporters, recruit new donors, and continue to educate and mutually support similar causes. However, we found that there are many challenges that nonprofits, especially smaller ones, face. These include the sheer volume of information, creating compelling ways to be heard, competing for scarce resources in terms of time and money from supporters. Also, we found that dialogue between those engaged at the grassroots or field level was often lacking, in some cases due to lack of technology. Potentially the various stakeholder groups should be having dialogues within and across the stakeholder groups to have more long lasting and sustainable results, especially for nonprofits that deal with chronic long term issues compared to those for disaster relief or event based ones. Our results so far are preliminary, and we will be doing further research to consolidate our findings.

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EXTENDED ABSTRACT

How To Achieve The Optimal Flow Experience Through Different Interactive Conditions
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With the experience economy era, many service retail re-positioning and considering that they no longer just provider of services and products, is the designer of interactive experience to use variety interactive media to communicate with consumers. (Liu and Shrum 2009; Mathwick, Malhotra, and Rigdon 2001; Mathwick and Rigdon 2004; Pine and Gilmore 1999). Hoffman and Novak (1996) point out that flow experience is the optimal multimedia interactive experience (Novak, Hoffman, and Duhache 2003; Jacobson 2001; Pine and Gilmore 1999). In a variety of interactive media to create the best consumer experience, must to know clearly about the different characteristics of flow experiences in different interactive conditions. (Chow and Ting 2003; Hoffman and Novak 1996; Mathwick et al. 2001).

Recalling the past, the interactive condition was divided into user-machine interaction, user-user interaction, and user-content interaction (Hoffman and Novak 1996; Liu and Shrum 2002, 2009). According to Dramaturgical theory, user-content interaction could divide into user-script interaction and user-setting interaction (Grove, Fisk, and Bitner 1992). But the previous studies of flow experience mostly focus on user-machine interaction and directly explore other flow experience characteristics from the flow experience characteristic of engaging single activity condition (e.g. Ghani, Supnick, and Rooney 1991; Trevino and Webster 1992; Webster, Trevino, and Ryan 1993; Ghani and Deshpande 1994), and ignore the condition characteristics of multi-user interaction, user-script interaction and user-setting interaction (Wallther 1996, 1997), accordingly, the flow concept must be re-examine and clarify (Huang 2006; Shoham 2004).

Based on the above, the study will choose the on-line game as the main research condition which has multi-user interaction, user-machine interaction, user-script interaction and user-setting interaction, to complement the lack of exploring user-user, user-machine and user-script interaction flow experiences, and further expand the application field of flow concept., the flow research would not only between human and particular things.

Research method, consider the consumer’s flow condition is the characteristics of dynamic and continuous occur for a period of time, flow itself is a deep inside feeling. If the interview process without any credentials to provide to respondents for recall, the respondents will be difficult to describe all feeling about flow experience had occurred (Csikszentmihalyi 1975). The study choose the auto-driving method which can help respondents to recalling all mental feeling (Belk and Kozinet 2005), as exploring the flow experience method of qualitative research, so that order to re-clarify the definition of consumer flow in user-user interaction, user-machine interaction, user-script interaction and user-setting interaction condition.

In selected sample of respondents, the study sample by screening three conditions: (1) consider the use of multimedia to interpersonal and user-user interaction experience, more to less; (2) the experience of playing online game, more to less; (3) the daily average of time to play online games, more to less. After screening, there are 17 respondents had depth interview, and teenager are main group, the number of boys more than girls, so that the sample characteristics are consist with previous studies investigating (e.g. Sherry 2004). The depth interviews were stopped when there are no longer new flow concepts or characteristics appear in interview processes.

The result of the study, according to before, experience should include sensory, affective, intellectual, behavioral four concepts (Brakus, Schmitt, and Zarantonello 2009; Dewey 1922, 1925). The flow characteristics that the study explored was classified and the result as follows:

1. Sensory: Aesthetics refers to the visual appeal or spectacle appreciation; Visualisation is the condition that consumer try to fathom and image other on-line game consumers’ facial expression.

2. Affective: Emotional contagion comes from the effect of consumer feels the same emotion as others; Emotion arousal comes from consumer’s inside emotion, it is a kind of mixed emotions (Aaker, Drolet, and Griffin 2008), sometimes to give vent by body or facial expressions.

3. Intellectual: Attention refers to narrowed to a limited stimulus field, filtering out irrelevant thoughts and perceptions; Curiosity refers to the sensory curiosity which stimulated by varied, novel and surprising or due to options (e.g. menus) caused exploration of the cognitive curiosity; Inferring thinking means consumer guesses other on-line consumers’ thinking, attempt and tendency; Integrated thinking is that consumer use multi-thinking to responded others’ strategy and facilitated by the implementation of executing strategies.

4. Behavioral: Control refers to the feelings of control over the computer interaction; Behavioral display means the body’s movement or conduction when consumer engaging the activity.

In flow characteristic, the study found that user-user interaction, user-machine interaction, user-script interaction, and user-setting interaction are exiting different flow experiences, for example, aesthetics and control exist in the condition in user-machine interaction and user-setting interaction; visualization, emotional contagion, inferring thinking and integrated thinking are in the condition of user-user interaction, user-script interaction; emotional arousal, attention, curiosity and behavioral display would exit in four interactive condition. Except for Csikszentmihalyi (1975) study found out the flow characteristics including attention, curiosity, sense of control and enjoyment, this study goes further to explore the important characteristics of aesthetics, visualization, emotional contagion, inferring thinking, behavioral display. Most importantly, this study make up for the defects of flow experience in explore a variety of interactive. Furthermore, in different interactive conditions, it should according to different flow characteristics to design interactive communication experience, to encourage consumers more invest in their consumption activities.
REFERENCES
To Be Left or Right? A Non-Conscious Base for Bounded Rationality
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EXTENDED ABSTRACTS
One of the cornerstones of classical economic theory is the notion of homo economicus, or that human beings are rational decision-makers with largely self-focused preferences (Egidi, Nusbaum, & Cacioppo, 2008; Fehr, Fischbacher, & Kosfeld, 2005). Against this common assumption runs the argument that human rationality is bounded, and thus humans’ information-processing is limited in multiple domains (Kahneman, 2003).

However, previous research on bounded rationality has focused mainly on its consequences for human behavior (Camerer, Loewenstein, & Rabin, 2004), and a parsimonious account for its source remains elusive. Specifically, although human information-processing involves non-conscious process (Bagozzi, Gurhan-Canli, & Priester, 2002), studies on bounded rationality have been limited to those issues concerning conscious information-processing (Bettman, Johnson, & Payne, 1991; Wyer Jr., 2008).

Therefore, we provide evidence of bounded rationality at the non-conscious level by examining preattentive processing regulated by hemispheric function. Specifically, we find that verbal stimuli are processed favorably when placed in the right visual field, which encourages the use of analytic resources of the left hemisphere, whereas pictorial stimuli are processed well in the left visual field, which encourages the use of holistic resources of the right hemisphere (Bagozzi, et al., 2002).

We find that preattentive information-processing improves when hemispheric function is matched. Thus, we postulate that preattentive processing within different hemispheres affects recognition memory, which in turn affects the human decision-making process (MacInnis & Jaworski, 1989) independent of arousal levels. We test this hypothesis with both unknown (Experiment 1) and well-known (Experiment 2) stimuli in the context of a computer game.

EXPERIMENT 1
Method
Participants. 64 undergraduate students (32 women, mean age = 22.94) at a Korean university participated.
Procedure and measures. The experiment used a 2 (preattentive processing: matched vs. mismatched) x 2 (arousal level: high vs. low) between-participants design. Participants were randomly assigned to one of the four conditions. Baseline skin conductance was measured for 30 seconds before the experiment. Then, participants in the matched preattentive processing condition were presented verbal (pictorial) stimuli in the right (left) visual field to activate left (right) hemispheric function. Conversely, those in the mismatched condition were presented the verbal (pictorial) stimuli in the left (right) visual field. In order to manipulate arousal level, half the participants were asked to play a game (high arousal) and the other half to watch a recording of a game (low arousal) for 3 minutes.

Afterwards, eye fixation count (using an infrared eye tracker, Tobii T120), skin conductance (using Procomp Infiniti), and recognition memory were assessed. Based on the fact that individuals can attend to information while being unaware of it, eye fixation count was recorded at a 50 Hz sampling rate to validate non-conscious information-processing. We also assessed physiological arousal by skin conductance, a measure of sympathetic nervous system activation, at a rate of 256 times per second.

To measure information-processing, recognition memory was assessed by Superlab; participants were presented with multiple brand names and images on the billboard in the game and then asked to indicate whether each of the brands had appeared. Participants were informed that not all of the brands appeared in the game; individual participants received different sequences of the items. Experiment 1 used four monochrome information of unknown brand names (e.g., Moog) and images (e.g., Vaude), which were selected from a pretest and embedded in a peripheral visual field for the game.

Results
Results from the eye fixation count ration indicate that participants attended more to a focal visual field (M = .01) than a peripheral visual field (M = .93), t(63) = 156.573, p < .01, verifying that participants’ information-processing was operating at the non-conscious level. The skin conductance data confirmed that participants in the high-arousal playing condition showed greater physiological arousal (M = 1.57) than those in the low-arousal watching condition (M = -.38), t(62) = 2.378, p < .05. Thus, our manipulations of preattention and arousal level were effective.

The main effect of preattentive processing was significant. As predicted, unknown brands were better recognized in the matched condition (M = 4.94) than the mismatched condition (M = 4.31), F(1, 60) = 4.18, p < .05, ηp^2 = .065 and no significant difference was found in recognition memory between the high-arousal playing (M = 4.41) and low-arousal watching condition (M = 4.84), F < 1. p = .84. There was no significant interaction between preattentive processing and arousal level (p = .839). Thus, unknown stimuli were processed non-consciously better under the matched condition, regardless of physiological arousal levels.

EXPERIMENT 2
Method
Participants and procedure. 52 undergraduate students (26 women, mean age = 22.44) at the same university participated. In Experiment 2, well-known were stimuli used with the same procedure as Experiment 1 used; four brand names (e.g., Microsoft) and four images (e.g., Nike).
**Results**

Consistent with Experiment 1, a low eye fixation count ration suggests that participants attended more to a focal visual field ($M = .01$) than a peripheral visual field ($M = .93$), $t(51) = 127.750, p < .01$, confirming non-conscious processing. The high-arousal playing group showed significantly higher levels of arousal ($M = 1.85$) than the low-arousal watching group ($M = .16$), $t(50) = 1.694, p = .10$. The main effect of preattentive processing was also significant.

Recognition of well-known brands was higher in the matched ($M = 5.35$) versus the mismatched condition ($M = 4.69$), $F(1, 48) = 3.130, p = .08, \eta_p^2 = .061$. Well-known brands were better recognized in the low-arousal watching condition ($M = 5.58$) than the high-arousal playing condition ($M = 4.46$), $F(1, 48) = 9.108, p < .01, \eta_p^2 = .159$. Again, no interaction was found between preattentive and arousal level ($p = .918$). Figure 1 depicts these findings.

**DISCUSSION**

Our research demonstrates that recognition memory is facilitated by preattentive processing resulting from matching hemispheric function with the placement of information stimuli, independent of physiological arousal levels. This evidence supports that non-conscious processing affects individuals’ information process, which plays an important role for human decision-making (Macln尼斯 & Jaworski, 1989) and contributes to our understanding of the base of bounded rationality.

**REFERENCES**


**FUGURE 1. Recognition Memory As A Function Of Preattentive Processing And Arousal Level**
POSTER SESSION PAPERS

Consumer’s Internet Shopping Anxiety And Coping Behavior In E-Tailing Service
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EXTENDED ABSTRACT

CONCEPTUALIZATION

Although reducing the difficulty associated with searching for products and a reduction in transaction costs are clearly beneficial, a number of consumers have still eschewed online shopping and returned to the real world (Gupta, Su, and Walter, 2004). There must be a reason for this. Previously, researchers discovered clues within consumer evaluations of e-tailing services, dealing with aspects such as customer satisfaction and loyalty (Martin and Camarero, 2008). However, these clues failed to adequately explain such behavior. In this study, we suspect that the emotions of online consumers while using e-tailing services might provide additional insight (Ma and Wang, 2009).

The studies of consumer’s emotions, especially negative emotions including anger, hate, resistance, fear and anxiety, have developed for a long time (Menon and Dubé, 2007). Among these, anxiety is the most widely studied (Norris, Pauli, and Bray, 2007). Anxiety is often discussed in the literature on consumer behavior (Viswanathan, Rosa, and Harris, 2005), computer use (Durnell and Haag, 2002), and Internet use (Joiner, Brosnan, Duffield, Gavin, and Maras, 2007), but it has been relatively understudied in the context of e-tailing service.

In this study, we try to discuss the effect of anxiety on e-tailing service adoption. Internet shopping anxiety, or the negative emotion that results from an individual’s experiences of e-tailing service adoption in particular, may be an important factor to explain the online consumer’s emotion in e-tailing service usage. In this study, we introduce Internet shopping anxiety as a new factor that reflects the online consumer’s emotion during adopting e-tailing service.

Anxiety has been one of the major research topics in the field of consumer behavior for a long time. In previous studies of anxiety, consumers’ anxiety and their coping behaviors are of great concern (Duhachek, 2005). Coping behavior is a reactive variable to deal with situations in which people feel threatened or stressful. In this study, coping behavior helps us understand online consumers’ response to threatening or stressful situations in e-tailing environment and such responses influence online consumers’ intention to use e-tailing service.

Coping behavior is essential for e-tailing service adoption decision because it bridges the gap between online consumer’s Internet shopping anxiety and e-tailing service adoption. Therefore, we use coping behavior to explain an online consumer’s reaction behavior when he or she adopts e-tailing service. By this way, we try to make a contribution in discovering what decides an online consumer’s e-tailing service adoption.

The purpose of the present study is threefold. First, this study identifies factors that affect online consumers’ coping behavior in e-tailing environment. Second, we define Internet shopping anxiety and distinguish it from Internet anxiety. Finally, we examine the relationships between Internet shopping anxiety and coping behavior in e-tailing environment.

METHOD

Online consumer’s Internet shopping anxiety is measured by adapting a three-item scale of Internet anxiety in the work of Thatcher, Loughry, Lim, and McKnight (2007) to specifying context of shopping through e-tailing service in Thatcher et al. (2007)’s Internet application. The three constructs of coping behavior are assessed using the scales developed by Duhachek (2005). Active coping is measured with fourteen items. Expressive support seeking is assessed with thirteen items. The scale for avoidance is consisted of seven items.

This study adopts a 21-item scale which is originally developed by Jun, Yang, and Kim (2004), as a measure of e-tailing service quality. Online consumers’ web trust is measured using a four-item scale developed by Thatcher et al. (2007). All items of the measurement use a 7-point Likert scale. Each item range from 1 “I do not agree at all” to 7 “I totally agree”.

The hypotheses of the study will be examined using a multiple hierarchical regression analysis, with the three different coping behaviors as the dependent variables. The multiple hierarchical regression analysis is performed with two steps. To test the main effect, Internet shopping anxiety is entered in step 1 as an independent variable. We then enter two interaction variables in step 2 to examine their effects.

MAJOR FINDINGS

The study may provide insights on online consumer’s emotion and behavior issues. First, this study is the first empirical research investigating the role of Internet shopping anxiety. The study identifies a more specific dimension of Internet anxiety in the Internet shopping context. Internet shopping anxiety is different from Internet anxiety. Internet shopping anxiety comes from specific shopping-related Internet application usage, happens at the moment of shopping, and is an unstable feeling that strongly affects people in short period.

Second, our finding suggests that online consumers in different kinds of Internet shopping anxiety adopt different kinds of coping behaviors to respond to the situations.

Third, the study’s findings show different relationships between Internet shopping anxiety and coping behaviors across various e-tailing service quality. The study offers some possibilities to understand the cognitive factor which might
be a pre-indicator of coping behavior by the e-tailing service quality in addition to the emotion factor.

For online retailers and sellers who are interested in e-tailing environment, the study also makes practical suggestions. To help create better experience in the consumer shopping process through e-tailing service, retailers could provide online consumers more accurate, prompt and secure services. Retailers should do their best jobs to offer their consumers personalized services in the e-tailing environment with non-human interactions. All the suggestions would help retailers make their consumers feel better during e-tailing service adoption processes and further affect consumers’ decision in using their e-tailing service again.

For online consumers, the findings can help them understand their emotions more and thus adjust their emotions. Then, the finding suggests online consumers choose suitable or trustable retailers to make online consumptions. The finding also offers online consumers some principles to evaluate retailer’s e-tailing service quality.

REFERENCES
Motives and Corresponding Behaviors in Reading Electronic Word of Mouth

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EXTENDED ABSTRACT

CONCEPTUALIZATION

Word of mouth (WOM) is an interactive communication among consumers regarding their personal experiences with products or enterprises (Richins, 1983). The emergence of the Internet has made a huge growth of WOM content and diffusion. Such growth enables WOM to have more powerful and important influence on a consumer’s decision making process (Sun, Youn, Wu, and Kuntaraporn, 2006). WOM posted and passed on the Internet is generally called electronic word of mouth (eWOM). eWOM is defined as a positive or negative statement related to a product, a service, or a company, and widely delivered through the Internet (Hennig-Thurau, Gwinner, Walsh, and Gremler, 2004).

Going along with the aforesaid growth, eWOM provides a more convenient way for a consumer to obtain information or opinions of products and services. eWOM refers to individual experiences and stories so many researchers believe that eWOM causes more consumers’ empathy and it is also reliable information for a consumer (Bickart and Schindler, 2001). Compared with eWOM, a consumer’s trust toward advertising and enterprises is much less in such situation (Sweeney, Soutar, and Mazzarol, 2008).

With a strong effect on consumers’ perceptions of products and services, eWOM guides consumers to change their evaluations, value rating and the possibility of purchase (Bone, 1995). eWOM dispels consumers’ doubt and reduces consumers’ pre-purchase uncertainty, especially in the last stage of purchase process (Sweeney et al., 2008). Therefore, eWOM becomes a new form of promotion with its potential power (Dye, 2000).

With the progress of Internet technology, eWOM has been recognized as an important information source between consumers. However, there is very little research on this issue. Even though there are some studies about the issue, most of eWOM research has concentrated on its generation, types, and senders in eWOM activity (Chang, 2009). Little research has focused on receivers in eWOM activity (Bansal and Voyer, 2000). As eWOM effects are heterogeneous, consumers have various actions after they read eWOM. It is important to know what motivates consumers to read eWOM and what corresponding behaviors consumers may take after reading eWOM (Bansal and Voyer, 2000).

Different from those method applied by previous eWOM related studies, this study uses qualitative method. Most of prior studies use quantitative methods, such as questionnaires, scales, or surveys, to testify their arguments. In the present study, we use interview to explore consumers’ original motives and corresponding behaviors of reading eWOM. Through the interview, consumers may provide richer and deeper views about the research issue. Therefore, by a qualitative method, the study complements those quantitative studies and provides a more thorough understanding about consumers’ motives and corresponding behaviors of reading eWOM.

METHOD

In the study, we interview participants about their motives and corresponding behaviors in reading eWOM. We adopt snowballing process to obtain participants. Firstly, we ask several students as volunteer participants to individually share their thoughts about motives and corresponding behaviors when they read eWOM. At the end of each interview, participants are asked to nominate qualified candidates for our next interviews. In order to broaden sample variety of the study, we also request participants to avoid recommending students in our study.

We conduct interviews individually by a trained researcher to collect information about possible consumers’ reading eWOM motives and corresponding behaviors. The participants are asked by a guiding interview question, such as “For what purpose will you read eWOM?” or “Why will you read eWOM?” For acquiring broad and thorough description about consumers’ reading eWOM motives and corresponding behaviors, the interview question is as simple as possible to help them freely express their opinions. The interviews are continued until participants have significantly no new idea to say.

All records of individual interviews are stored in digital content. The interviews are all transcribed for further analyses (Spiggle, 1994). Through the process, the verbatim transcripts of consumer’s interviews form the main data which is used for analyzing consumers’ reading eWOM motives and corresponding behaviors.

In the study, we use the method similar to the phenomenographic method (Marton, 1981) and revised by Tsai (2004)’s research to analyze the verbatim transcripts of consumer interviews. First of all, the study reviews each consumer’s ideas presented in the interview content. In the next, the researcher marks some important sentences and extracted some keywords from those sentences. By this way, the researcher characterizes consumers’ notions about reading eWOM motives and corresponding behaviors. These notions form a foundation of the study.

In turn, the researcher compares the sentences marked in the interview transcripts, and further explores and summarizes consumers’ similar and different notions. Eventually, we construct some categories of description to classify motives and corresponding behaviors of reading eWOM expressed by consumers. The purpose of categories developed is to exemplify the consumers’ reading eWOM motives and corresponding behaviors. For refining the best description of interviewees’ ideas, the study applies the process of data analysis to revise categories for several times.

MAJOR FINDINGS

This study tries to explore the nature of consumer’s motive and corresponding behavior in reading eWOM and could be one of the initial attempts to discuss the issue. By interviewing consumers, the study intends to find out different categories about consumers’ corresponding behaviors of reading eWOM. The study further attempts to
build up a framework by various dimensions to match the discovered categories.

By factor analysis, Hennig-Thurau, Walsh, and Walsh (2003) gathers the previous study of eWOM reading motives and corresponding behaviors, and reclassify those findings. In this study, we also try to discuss the difference in findings between Hennig-Thurau, Walsh, and Walsh (2003)’s study and our study.

Future researches are encouraged to further explore consumers’ reading eWOM phenomenon based on the findings of this study. Besides, researchers can compare and contrast differences of the motives and corresponding behaviors with different products or services, for instance, functional product, hedonic service, etc. Researchers may obtain better understanding about how product or service characters may influence consumers’ motives and corresponding behaviors in reading eWOM.

REFERENCE
The Role of Brands in People’s Relationships
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EXTENDED ABSTRACT
Imagine in a dark night, you drive on the state high way by yourself. You see some guy with a smoking car on the side of the road waving for your help. How likely will you stop your car? What if he is wearing your favorite T shirt brand, how likely will you stop? Imagine in a wine taste party hosted by your firm, you and a coworker, whom you barely know, love the same wine brand, which everyone else hates. How likely will you consider getting to know him better? Imagine during speed dating, you see some guy wear the same brand watch as your first love in high school, how likely will you contact him?

Brands have become undeniable and fundamental social entities (Firat and Venkatesh, 1995). The role of brands in people’s relationships is at least as important as many other forms of media they use in social interactions. Given consumption’s undeniable centrality in contemporary culture (Scott, 1993), and how close brands are related to consumption, a brand is simply an essential tool people invariably employ in building their interpersonal relationships.

Research on the role of brands in interpersonal relationships has focused on brand communities, which represent a form of interpersonal relationship situated within a consumption context. Brand community is usually formed around one brand, people’s relationships are centered around the brand, and the brand is the tie that binds people (Muniz and O’Guinn, 2001; McAlexander, Schouten, and Koenig, 2002).

However, as implied by the scenarios above, the role of brands in people’s relationships should not be limited to brand communities. Brands have a more common role in people’s relationships. In this research, I am interested in the role brands play in people’s daily lives, specifically how sharing the same brand can facilitate people’s relationships with each other. I investigated this question in one-to-one interpersonal relationship settings and focused on the initiation of a relationship.

LITERATURE REVIEW
The role of brands as a form of similarity between people
People tend to have positive feelings towards similar others (Aronson and Worchel, 1966). Research on relationships has shown that there is a robust link between similarity and positive feelings (Montoya, Horton, and Kirchner, 2006). When two people share the same brand, they may infer the similarity between their characteristics, such as values, beliefs, interests, personalities. If sharing the same brand implies shared personal traits, this personal similarity should in turn lead to positive feelings towards each other thus facilitating relationships.

H1a: A person’s evaluation of another person is higher when they share the same brand than when they don’t share the same brand.

H1b: A person’s willingness to improve a relationship with another person is higher when they share the same brand than when they don’t share the same brand.

H1c: A person’s perceived similarity with another person is higher when they share the same brand than when they don’t share the same brand.

H1d: H1a and H1b are mediated by the perceived similarity between one and the other person.

The role of brands in people’s relationships depends on a brand’s self-relevance
The extent to which sharing the same brand could influence people’s relationships depends on how relevant the brand is to people’s self-concept. If a brand is highly related to one’s self-concept, sharing the same brand with another person may indicate high similarity between one and the other person, which would be more likely to lead to positive feelings towards the other person and closer relationships. On the contrary, if a brand is not very related to one’s self-concept, sharing the same brand with another person may be less likely to indicate similarity between one and the other person, which would be less likely to facilitate relationship between them.

H2a: The effects of H1a and H1b are stronger when the brand is highly related to a person’s self-concept than when it is not related to a person’s self-concept.

H2b: H2a is mediated by the perceived similarity between one and the other person.

The role of brands in people’s relationships depends on a brand’s relationship-relevance
The extent to which sharing the same brand could influence people’s relationships also depends on how relevant the brand is to a particular relationship. For example, sharing the same smart phone brand may be more likely to influence your closeness to your business partner than to your dentist. Prior research has shown that the ownership of brands of mundane products such as bath soap, tools, and toys facilitates relationships between family members, friends, or neighbors (Fournier, 1998; Gainer and Fischer, 1991; Olsen, 1993), which suggests that relationship relevant brands are more likely to influence the relationship than relationship irrelevant brands.

H3: The effects of H1a and H1b are stronger when the brand is highly related to a particular relationship than when it is not related to this relationship.

EXPERIMENTS AND RESULTS
Experiment 1 investigated how sharing a brand with another person increases participants’ liking towards this person and how it was mediated by perceived interpersonal similarity. Participants in this study were randomly assigned to two conditions (share-brand vs. not-share-brand). They were asked three questions concerning their willingness to initiate a relationship with the other person, their liking towards the other person and how similar do they think they are.

Experiment 2 investigated how brand self-relevance moderates the effect in experiment 1. Participants in this study were given the definition of self-concept and asked to
write two brands they own, one is highly related to their self-concept, and the other is not related to their self-concept. Then they were asked to imagine sharing either the high-self-relevance brand or low-self-relevance brand. The self-relevance factor was run within subjects. Same questions were asked as experiment one.

Experiment 3 investigated how brand relationship-relevance moderates the effect in experiment 1. It was a 2 (relationship-relevant brand vs. relationship-irrelevant brand) by 2 (high-self-relevant brand vs. low-self-relevant brand) design. Same questions were asked as experiment one. All the hypotheses were supported by findings from the above experiments.
Examining Chinese Consumers’ Attitude towards E-Book Adoption: When East Meets West – A Cross Culture Comparison

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EXTENDED ABSTRACT
E-book market is one of the hottest topics in today’s business world as it offers a lucrative business for numerous companies. With the advances of technology and the proliferation of mobile internet, information storage and retrieval has quickly become bound to the digital universe. This has given rise to the emergence of e-Book (short for electronic book). Consumers are able to carry hundreds of books in an electronic reader, enjoying reading a wide variety of books at convenience at any time. Market acceptance has been surging; e-Book 2010 sales were 11.67 Billion for 2010, a 3.6% increase over 2009. Although the annual U.S. wholesale e-Book sales have significantly picked up, China’s e-Book market is still burgeoning; e-Book 2010 sales were 1.07 million for 2010, a 1.66% increase over 2009. Books have been by far the slowest to become digitized when comparing to other entertainment. This is because it changes the way we read, it changes the very way we live. By their very nature e-books are cultural products, thus foreign firms need to overcome the cultural impediments to understand Chinese consumers. The subtleties and multiplicity of meanings that Chinese consumers attach to reading are empirically explored in this article. Hofstede (1980) proposed that people’s social norms or values would vary in terms of different culture. It is likely that behavior deep rooted in culture leads to the divergence of e-Book acceptance for Chinese and western consumers. This article wishes to contribute insights into this issue.

LITERATURE REVIEW
Culture shapes how people see their world and how they function within it. Culture has been defined as — the collective programming of the mind which distinguishes the members of one group from another (Hofstede 1980), and as — a set of values, ideas, artifacts, and other meaningful symbols that help individuals communicate, interpret, and evaluate as members of society (Engel et al. 1993). According to Hofstede (2001) power distance dimension refers to the degree to which members of society accept an uneven distribution of power. Collectivism vs. Individualism indicates the degree to which individuals in a society prefer to act as individuals or rather than as members of a social group. Uncertainty avoidance suggests the extent to which people seek to avoid, or feel threatened by, ambiguous or risky situations. Long-term vs short-term orientation asserts a society with a long-term orientation places a high value on traditional values. Cultures with a short-term orientation place less importance on tradition and are more open to new ideas (i.e., new technology). In Hofstede and Bond (1984) and Hofstede (1980), Chinese culture is characterized as low on individualism and high on collectivism; power/distance ratios were amongst the highest of all 40 countries surveyed; high uncertainty avoidance — low in the degree of risk tolerance — was identified.

METHOD
The objective of this research is to obtain understanding on the reasons that drives the acceptance of e-Book among Chinese consumers. The subtleties and multiplicity of meanings that Chinese consumers attach to reading are empirically tested. Focus groups have long been recognized as a suitable technique for clinical, exploratory or phenomenological interaction-centered studies in which the shared experiences of a group of people are obtained (Hines 2000). This study ran five focus groups including three Chinese groups and two western groups. Each group ran for 60 minutes and were taped and fully transcribed.

RESULTS
Four culture dimensions of Hofstede (2001) were found meaningful in this empirical study to distinguish the difference between Chinese and western culture in term of electronic book usage and adoption. The meanings that Chinese respondents attach to books are multi-faceted and profound which is deep rooted in the Confucian heritage culture.

Power distance
Present research reveals that Chinese society due the influence of Confucius, teachers are treated with high respect; they are not only teachers but also models of correct behavior. The teacher is treated with deference, even when the student is no longer at school, the respect remains for life. This explains why books have a special high value in Chinese’s mind, they are surrogated teachers. The paper books provide a warm texture which resembles the mentorship between teacher and students. Confucian culture endows physical books with special emotional attachment. The electronic form of e-Book gives readers a cold, distant and inhuman feeling thus constraints the adoption of usage among Chinese.

"Book has the power of knowledge, when I smell the light fragrance of a book, I feel invigorated. When I hold a book in my hand, I feel I am transformed into a knowledgeable man” (Eastern view)

In contrast, the western group perceive book from a utilitarian but not emotional perspective,

“ I don’t have any special feelings about the paper books, e-Book is more convenient in providing storage for lots of books” (Western view)

Collectivism vs. Individualism
In Chinese culture education it is greatly emphasized and a well educated person that is full of knowledge is seen as highly respected. As a result of the collectivism, the motivation of study becomes more pragmatic - to earn society’s recognition. Paper books can provide visual appeal which manifest the content of the book and could be a conspicuous behavior to achieve group appraisal. The digital
nature of e-Book makes the book content non-visible and it binds the original printed work.

“One time I was carrying three thick books in my hand in the elevator and ran into my friends, they felt that I was very knowledgeable just because I was holding the books in my hand. Well, if I was holding an electronic book in my hand this will definitely not give them the same impression” (Eastern view)

In contrast, people in individualistic societies are inclined to make their own choices. Reading is something personal and private, what others think about them is not relevant.

“When I read, I escape from all other things. Reading physical books relaxes me and gives me a sense of privacy” (Western view)

Uncertainty Avoidance

Learners with high uncertainty avoidance tend to be people who feel comfortable only with structured learning, precise objectives, detailed assignments and good instructions. Present research indicates Chinese have the preference for systematic and precise approach in reading and this is manifested through the habit of making notes and marking books. The act of turning pages also exhibit special meanings to the Chinese group. Turning pages one by one gives them a step-by-step feeling which is more precise and congruent with their learning habit. Furthermore, Chinese culture learners have a strong preference for the visual (Lam Phoon 1986; Suh and Price 1993; Yong and Ewing 1992). They like to read and obtain a great deal of visual stimulation. The strong perceptual visual channel may be the result of Chinese idiographic writing system, which has pronounced visual properties.

“Making marks on the books, represent that I have read those portions, if I don’t make marks and notes on the books, I feel that I haven’t read anything.” (Eastern view)

“There is a slight noise when you turn pages, and making marks on the books gives me a feeling that I am working, these gives me a sense of accomplishment” (Eastern view)

In contrast, western group with low uncertainty avoidance, feels comfortable in learning in a less structured environment.

“I can make marks and notes when reading on the computer, and can also undo them whenever necessary, this is the convenience that you don’t get with books.” (Western view)

Long-Term Vs. Short-Term Orientation

This dimension based on Confucianism, captures the distinctive cultural characteristic of Chinese culture: diligence, patience, frugality, and long-term orientation. The long term value orientation explains Chinese respondents’ emphasis on how they see books as a linkage to memories from the past which has nostalgic meanings therefore it is function that can not be replaced by e-Book.

“The marks that I have made on books are like memory nodes, which helps me to retrieve past memories, it puts me back into the context when I was reading the book. The tear drops that was left on the books, leaves traces of memories scattered across different books.” (Eastern view)

On the other hand, western respondents are more open to embrace new ideas. Books serve a more utilitarian function, therefore they are more adaptive to the electronic form of e-Book.

“New versions of e-Book will show up in next six months. So I will wait for price reduction and the latest version.” (Western view)

CONCLUSIONS

This study investigates the gap in consumer research in understanding the reasons that leads to the divergence of e-Book acceptance among Chinese and western consumers. This research contributes to empirical findings that the meanings that Chinese consumers attach to books are multifaceted and profound which is deep rooted in the Confucian heritage culture. The results indicate that managers should take full consideration into Chinese market rather than regard whole global market as a one note.

REFERENCES


The Impact of Effort on Consumers’ Willingness-to-Pay in Hedonic vs. Utilitarian Purchases
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EXTENDED ABSTRACT
This research investigates the impact of effort on consumers’ willingness-to-pay (WTP) in hedonic vs. utilitarian purchases. We propose that effort can generally increase consumers’ WTP, and more importantly and interestingly, effort will have a higher impact on consumers’ WTP of hedonic than utilitarian products. This and other related predications are tested in a series of studies using both hypothetical and real effort tasks and various products in different price ranges.

The first set of studies (Studies 1~3) examines the impacts of higher effort on consumers’ WTP and price sensitivity. Study 1 tests the basic hypothesis that higher effort will increase consumers’ WTP. Respondents were randomly assigned to one of two conditions (low effort vs. high effort). Participants were first told to imagine that they had spent some hours (2 hours vs. 10 hours in the low effort vs. high effort conditions, respectively) on their business trip and were now browsing a department store near the hotel. They were then given the product information (a pair of sunglasses) and were asked to give their highest WTP. Consistent with our hypothesis, the results showed a significant positive effect of effort level on consumers’ WTP (159 RMB < 224 RMB, t(119) = 2.6, p < .05).

Study 2 tests the basic hypothesis that higher effort will increase consumers’ WTP using a real effort task and relative effort manipulation. Respondents were randomly assigned to one of two conditions (low relative effort vs. high relative effort). The effort task required all participants to construct 9 sentences in a sentence construction task. In the low (high) relative effort condition, participants were told that all participants were randomly assigned to construct between 8 and 16 (between 2 and 10) sentences. They were then given a supposedly unrelated product evaluation task in which there were given the product information (a box of chocolate) and were asked to give their highest WTP. Consistent with our hypothesis, the results showed a significant positive effect of effort level on consumers’ perceived relative effort level on their WTP (35 RMB < 62 RMB, t(43) = 1.8, p < .05).

Study 3 further tests the conceptualization by testing the hypothesis that higher effort will lower consumers’ price sensitivity. Respondents were randomly assigned to one of the four conditions in a 2 (effort level: low vs. high) X 2 (price level: low vs. high) between-subjects design. Participants were first told to imagine that they had spent some hours (2 hours vs. 12 hours in the low effort vs. high effort conditions, respectively) on their homework assignment and were now browsing a department store. They were then given the product information (a leather purse) and price information (100 RMB vs. 150 RMB in the low price vs. high price conditions, respectively) and were asked about their purchase decision of the product. Consistent with our hypothesis, the results showed a significant interaction between effort level and price level on consumers’ purchase likelihood. More specifically, when the effort level is low, the price increase (from 100 RMB to 150 RMB) significantly lowered their purchase likelihood (46% vs. 13%, p < .005). In contrast, when the effort level is high, the same price increase did not affect their purchase likelihood (31% vs. 30%, p > .1). The interaction effect of effort level and price level on the purchase likelihood is statistically significant (p < .05).

More importantly and interestingly, the second set of studies (Study 4 and 5) examines the differential impacts of effort on the WTP of hedonic vs. utilitarian products. In Study 4, participants were randomly assigned to one of the four conditions in a 2 (effort level: low vs. high) X 2 (product category: hedonic vs. utilitarian) between-subjects design. Participants were first told to imagine that they had spent some hours (2 hours vs. 12 hours in the low effort vs. high effort conditions, respectively) on their homework assignment and were now browsing a supermarket on campus. They were then given the product information (an ice cream vs. a USB drive in the hedonic product vs. utilitarian product conditions, respectively) and were asked to give their highest WTP. Consistent with our hypothesis, the results show that while higher effort had a significant positive effect on the WTP for the hedonic product (standardized WTP: -.4 < -.4, t(50) = 2.9, p < .05), higher effort did not have a significant effect on the WTP for the utilitarian product (standardized WTP: -.07 vs. -.07, t(53) = .5, p > .1). The interaction effect between effort level and product category on consumers’ WTP was statistically significant (F(1,103) = 2.6, p = .05).

Study 5 further tests the proposed conceptualization by holding constant the product (a set of English DVD Movies) in all conditions while manipulating consumption goals (hedonic vs. utilitarian) across conditions. Respondents were randomly assigned to one of the four conditions in a 2 (effort level: low vs. high) X 2 (consumption goal: hedonic vs. utilitarian) between-subjects design. The effort manipulation was similar to that of Study 4. The results show that while higher effort had a significant positive effect on the WTP of DVD movies when the consumption goal was hedonic (for entertainment) (WTP using interval scale: 3.1 < 4.4, t(73) = 2.2, p < .05), higher effort did not have a significant effect on the WTP of the same product when the consumption goal was utilitarian (for studying foreign language) (WTP using interval scale: 4.1 vs. 3.9, t(72) = 3, p > .1). The interaction effect between effort level and consumption goal on consumers’ WTP was statistically significant (F(1,145) = 2.9, p < .05).

In sum, the findings of Studies 1-5 are consistent with our proposed conceptualization that effort can generally increase consumers’ WTP, and more importantly and interestingly, effort will have a higher impact on consumers’ WTP of hedonic than utilitarian products. In the final section, we discuss the implications of the findings for marketing managers and for the literature of pricing and self-control.
The Impact of Sorting Choice Options on Consumer Self-Control
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EXTENDED ABSTRACT
When facing a choice between virtues and vices, consumers have to decide whether to exert self-control by sacrificing immediate temptation for satisfying long-term goals. We propose and test a simple way to help consumers exert self-control. Based on the notion that choosing virtues is easier to justify than choosing vices, consumers find it easier to exert self-control and choose virtues when choice options are sorted into virtues and vices than when they are unsorted. This self-control facilitating effect is caused by the choice conflict being more salient when choice options are sorted than when they are unsorted. Importantly, it is not necessary that choice options are labeled as virtues and vices, simply sorting them into the two categories is sufficient to highlight the choice conflict, and thus to facilitate the exertion of self-control. We test this hypothesis in four studies.

In Study 1, 77 male participants were randomly assigned to two conditions (sorted choice set vs. unsorted choice set). Participants were told to imagine that a magazine publishing firm was promoting its magazines on campus and thus students could choose one out of the four magazines for free. Two magazines were vices (Computer Games and Playboy), while the other two were virtues (English Study and Science World). In the unsorted choice set condition, a three-by-three matrix was used, whereas in the sorted choice set condition, vice magazines were placed next to each other on the left side and virtue magazines were placed next to each other on the right side. Supporting our hypothesis, participants were more likely to choose a virtue magazine when magazines were sorted into virtue and vice magazines than when magazines were unsorted.

Studies 2A and 2B test our hypothesis in two field experiments. In Study 2A, participants were 54 scholars attending an international marketing conference. At the conference registration desk, each attendee was given a lunch drink menu and was asked to choose one out of four drinks so that the conference organizer could better prepare their lunch in advance. Two drinks were vices (Coke and chocolate milk), while the other two were virtues (mineral water and corn juice). Unbeknownst to participants, they were randomly assigned to either the sorted or unsorted condition. In Study 2B, participants were 72 senior students attending their conference registration desk, each attendee was given a lunch drink menu and was asked to choose one out of four drinks for themselves, whereas in the choosing for others conditions participants were asked to imagine that they are the President of the Student Union and need to choose drinks for all attending students in advance. After making their choices, participants were asked to complete two additional questions measuring their self-control goal salience. Consistent with our prediction, participants choosing for themselves exerted more self-control by choosing more virtue drinks when drinks were sorted into virtues and vices. In contrast, when participants make choices for others, it made no difference whether choice sets were sorted or unsorted for participants’ choices of virtue versus vice drinks. In sum, the findings of Studies 1-4 support our hypothesis that sorting choice sets into virtues and vices makes the choice conflict more salient, thus helping consumers to exert self-control and choosing virtues over vices. Importantly, choice options do not need to be labeled as virtues and vices, simply sorting them is sufficient to highlight the conflict and facilitate the exertion of self-control.
Differences in the Effects of Marketing Mix Elements for Local and Foreign Brands
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EXTENDED ABSTRACT
The relationships from exogenous variables derived from the marketing mix on endogenous variables of behavioral intentions are well established. By focusing on eight relationships (price, advertising, quality, distribution for the exogenous variables and intention to repurchase/intention to recommend for the final endogenous variables), the current paper attempts to extend this research in three areas: 1. Drawing on the theories of disconfirmation of expectations (Oliver, 1980) and cognitive psychology (e.g. Folkes, 1988) we introduce a model with two mediators (brand image and brand satisfaction). Since most of the proposed eight relationships differ significantly in terms of direct and indirect effects, the mediators will help to explain and clarify how these relationships work. 2. Two subgroups are investigated in more detail: Chinese brands and foreign brands. Some of the investigated relationships diverge in terms of total effects as well as mediation. Understanding the discrepancies will offer valuable insights for researchers and brand managers alike. 3. As de Matos and Rossi (2008) show in their metastudy, there is a lack of research papers that investigate the relationships between marketing mix elements and repurchase/recommendation intention for products. Since a simple transfer of knowledge from service-studies to products is very questionable (e.g. Fornell et al., 1996), there is a need for more research that investigates the effects of marketing mix elements on behavioral intentions for goods.

For data collection market research was conducted in China in 2010 on 25 different FMCG products (12 Chinese brands, 13 foreign brands) with about 30 respondents per brand. For the analysis, Structural Equation Modeling with the Partial Least Squares Method (PLS) was chosen for two reasons: Although the relationships from the marketing mix elements to behavioral intentions are well established, the findings of the division of foreign and Chinese brands are of exploratory nature. PLS is known to be a robust method and is thus a good match for our purpose. Second, PLS is applicable for small sample sizes, which might be of advantage to analyze further subsamples in the future (Chin and Newsted, 1999).

After completing the commonly accepted reliability and validity assessments, the following major findings are deemed significant: Perceived price is found to have no effect on repurchase intention for Chinese brands. The reason is a suppression effect due to a negative indirect effect of price on brand satisfaction. One possible explanation is the insecurity of consumers, which is induced by a large number of Chinese brands and a blurred position of brands in the market. Accordingly, price is seen more as an indicator (e.g. for status, or quality) than a monetary measure. Foreign brands, however, are perceived differently. Due to a better established market position, reasonable or even attractive prices also have a positive effect on repurchase intention. This argument is supported by the finding that perceived quality has a significantly stronger relationship on repurchase intention for Chinese brands than for foreign brands. In short, perceived quality is a driver for Chinese brands, whereas perceived price is a mean to increase sales of foreign brands.

For the relationship from perceived price/quality on recommendation intention no significant differences for Chinese brand and foreign brands were detected. For both groups price has no effect on recommendation intention, while quality has a significant effect. This might be due to social pressure: to avoid being seen as a stingy person, price recommendations are avoided, while an advice for excellent quality will not lead to any embarrassment.

Advertising is found to have a significant indirect effect (mediated by brand image and brand satisfaction) on the intentions to repurchase/recommend for both product groups. As established in numerous contributions, advertising reinforces the consumer’s brand-related beliefs and attitudes and as a result contributes to strong brand loyalty (e.g. Shimp, 1997).

Distribution is found not to have a significant effect on repurchase/recommendation intention for Chinese brands. Foreign brands, on the contrary, show a significant indirect effect on both the intention to repurchase and recommend. In the literature there are arguments to organize distribution in terms of exclusivity or availability. Although foreign brands are often positioned in the higher priced segments, from the Chinese customers’ standpoint a more convenient distribution could improve their market share. For Chinese brands, customers seem to be already used to purchase goods without wasting time and effort; as a result there is no significant effect on behavioral intentions.

When comparing the two mediators of our study, brand image is found to have a stronger effect (comparing $R^2$) for foreign brands, whereas brand satisfaction has a stronger effect for Chinese brands. Two possible explanations are found in the established literature: First, foreign brands are often perceived to be more prestigious and thus have a higher brand image. Second, Chinese customers are more familiar and
experienced with local brands and are therefore more capable of evaluating the attributes of the products. For this reason, customers are less distracted by the halo effect of brand image when purchasing local brands (e.g. Andreassen and Lindestad, 1998).

REFERENCES
Exploring The Influence Of Ambient Temperature On Cognitive Task Performance
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EXTENDED ABSTRACT
Although both practitioners and academics agree that temperature is important in affecting human cognition and behavior (Goldman, 2001; Hancock et al., 2007), mixed results have been observed in the literature with regards with which or what range of temperature will facilitate cognitive task performances (Ramsey, 1995). While some research suggests that warmer temperatures enhance performance (Chiles, 1958; Pepler and Warner, 1968), some others suggest the opposite (Coleshaw et al., 1983; Thomas et al., 1989). Further, prior research efforts in this domain are limited in a number of dimensions. For example, they have focused on extreme temperatures (i.e., higher than 30 Celsius or lower than 10 Celsius; note that human’s comfortable temperature range is between 16 to 29 Celsius, Baker and Cameron 1996), and have included predominantly simple tasks, such as word memory and figure matching.

This research aims to address these limitations and therefore advance our understanding on the impact of temperature on task performance. Specifically, we focus on a range of temperatures that are commonly experienced and fairly comfortable, and examine their impact on people’s performance on simple as well as complex tasks. Prior research has shown that cool versus warm temperature makes people focus on the task itself and pay attention to the precise details of the focal task (Pepler and Warner, 1968) which requires a large amount of conscious thinking. This seems to suggest that relative to cool temperature which leads to more conscious, focused processing of the focal task, warm temperature is likely to induce a greater amount of unconscious thinking. Because prior research has shown that unconscious thinking facilitates performance on complex tasks (Dijksterhuis, 2004; Dijksterhuis et al., 2006), we hypothesize that warm versus cool temperature would enhance performance on complex tasks and tasks that require creativity. However, for simple tasks which do not present high demand for individuals, we expect this effect will disappear.

A series of three laboratory studies were conducted, which provided systematic support to our hypothesis. Study 1A and 1B demonstrated the basic effect of temperature on task performance. Specifically, study 1A used 3 (temperature: high vs. moderate vs. low) * 2 (task complexity: simple vs. complex) between-subject design. The task used was a classic choice task, which requires participants to select their preferred lottery from four different options (Payne et al., 2008). Options were defined by payoffs for 12 equiprobable events defined by drawing 1 of 4 numbered balls (simple condition) or 1 of 12 numbered balls (complex condition) from a bingo cage. Among the four options, one option had the highest expected value, which represents the correct answer. The study was run with no more than four people per session. The same lab was used, but the temperature was set to high (25-26 Celsius), moderate (21-22 Celsius), or low (16-17 Celsius). These temperature conditions followed the comfortable temperature boundaries in Baker & Cameron (1996). Results confirmed our hypothesis, showing that when the task was complex, a significantly (slightly) higher percentage of individuals in the high temperature condition selected the correct lottery (thus indicating better task performance) than those in the low or moderate temperature condition. However, no such an effect was observed when the task was simple. Study 1B was a theoretical replication of study 1A. By using a different task, we again demonstrated that warm versus cool temperature lead to better performance on difficult tasks. Furthermore, additional measures taken in both studies ruled out a number of alternative explanations, such as mood, arousal, and involvement.

Study 2 aims to shed light to the underlying mechanism. If warm temperature leads to unconscious thinking and consequently enhances performance on complex tasks, then we should observe equally well performance under the cool temperature if we prompt people to enter the unconscious thinking mode in that condition. Prior research has shown that distraction from other tasks can induce unconscious thinking (Betsch et al., 2001). Thus in this study, we first administered a seemingly unrelated task which varied distraction levels in a neutral temperature room. Specifically, participants were asked to remember either a 2-digit number (low distraction) or an 8-digit number (high distraction, which would encourage unconscious thinking) throughout the entire study. Then they were escorted to the main lab where temperature was set to high or low. The focal task involved the same lottery task as in study 1A. Results supported our theorizing. In particular, for those in the low distraction condition (i.e., people are primarily engaging in conscious thinking before entering the main lab which varied in temperature), we replicated earlier results. That is, warm temperature led to better performance. However, for those who were in the high distraction condition, they performed equally well whether they completed the focal task in warm or cool temperature room, presumably because the high distraction manipulation has prompted them to engage in unconscious thinking, which mitigated the effect of temperature.

Study 3 extends on the earlier findings by demonstrating that warmer temperature, which induces unconscious thinking, can also enhance performance on creative tasks. Prior research suggests that unconscious thoughts, compared with conscious thoughts, are more associative and divergent (Dijksterhuis and Meurs, 2006). Thus, we expect that warm temperature, which prompts more unconscious thinking, should enhance creative cognition. A series of three mini-studies were conducted, which employed different types of tasks that have been shown to measure creativity. Results from these tasks confirmed our theory that warm versus cool temperature leads to enhanced creativity.

Findings from this research make several important contributions. Foremost, they advance our understanding of the impact of ambient temperature on human cognition, esp. task performance. Second, we offer explanation as well empirical evidence with regards to the underlying process that drives these effects. Finally, this research offers practical implications in terms of setting up optimal ambient temperature in various environments.
REFERENCES
Fantasy-Shopping, Self-Concept Clarity, and Self-Affirmation
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EXTENDED ABSTRACT
Consumers sometimes exhibit behavior that arguably a majority of people would classify as destitute of utility, such as purchasing things that they know they will not be able to make proper use of. We call this phenomenon fantasy-shopping. For example, large women who confess to having bought clothes in small sizes which would not fit them (Martin 2002).

We propose that fantasy-shopping involves the pursuit of a self-concept different to one’s actual self-concept and as such we propose that self-concept unbalances relate to fantasy-shopping. We investigate two types of unbalance: lack of clarity about the self-concept and low overall self-concept.

Self-concept is “the totality of the individual’s thoughts and feelings having reference to themself as an object” (Rosenberg 1979, p.7) and incorporate an individual’s values and attitudes (Goldsmith et al. 1999). Self-concept clarity is “the extent to which the contents of an individual’s self-concept are clearly and confidently defined, internally consistent, and temporally stable” (Campbell et al. 1996). People with low self-concept clarity by definition are unclear about their identity, and wrestle between their ideal self, and what they represent in reality - their actual self. Hence, low self-concept clarity consumers would be prone to fantasy-shopping, as it allows them to move towards their ideal self, even if only psychologically.

Self-affirmation theory sustains the existence of a self-system that constantly explains itself with the objective of maintaining an adaptively and morally adequate self-concept (Steele 1988). Self-integrity refers to a global, unified view of the self, which is composed of different selves at different levels of salience at one given moment. When a particular part of the self-concept is affirmed, it is likely that [global] self-integrity would take care of inducing an impression of more adequate overall self-concept (Sherman and Cohen 2006) which in turn would reduce the quest for a different self-concept to the actual one. Thus, a sense of a more adequate self-concept should decrease the search for becoming someone different. Hence we propose that boosting one’s self-concept would lead to less fantasy-shopping.

STUDY 1
This study was designed to demonstrate the negative relationship between fantasy-shopping and self-concept clarity. Participants (313 members of a commercial panel) filled out an online survey composed of several different measures. The relevant ones for this paper are reported here. Fantasy-shopping was measured on a scale from 1 (does not describe me at all) to 7 (describes me perfectly) using four items: “I have certain motives behind making purchases which are unreflective of who I am or can become”, “I have made purchases that were not representative of who I was or who I could become”, “I purchase even if I believe my goals cannot be attained through the purchase”, and “I have purchased an item of clothing in the past that I cannot or would not wear, only that it fitted my ideal image of who I

would like to be”. Campbell et al’s (1996) scale was used to measure self-concept clarity. Items loading lower than 0.65 were eliminated, resulting in final seven items. To demonstrate that fantasy-shopping differs from the related construct materialism, the success dimension of Richins and Dawson’s (1992) materialism scale was integrated into the survey. This dimension focuses on how people feel material goods are reflective of themselves and their life. Similarly, a 3-item compulsive buying scale (OGuinn and Faber 1989) was used. Age, gender, and education level were asked last.

We ran a confirmatory factor analysis to validate the measures, namely, fantasy-shopping ($r = .75$), materialism ($r = .77$), compulsive-buying ($r = .76$), and self-concept clarity ($r = .88$). The model presented appropriate fit ($x^2(164) = 355.81; CFI = .92; NNFI = .90; RMSEA = .06$). Following Fornell and Larcker (1981), we compared the average variance extracted (AVE) per construct with the squared correlations between pairs of constructs. All AVE’s were higher than their respective squared correlations with all other constructs, providing support for discriminant validity. We regressed fantasy-shopping on self-concept clarity, having age, gender, and education as covariates. As hypothesized, the negative relationship between self-concept clarity and fantasy-shopping was significant ($r = -.37, p < .001$).

STUDY 2
The objective of this experimental study was to show that self-affirmation can help decrease fantasy-shopping tendencies for low self-concept clarity consumers. Participants were students ($n = 56$) who participated for a chance to win a $100 gift certificate. Participants completed a number of short tasks. The relevant ones for this study are reported next. Study 2 had an affirmed and a non-affirmed (control) condition. Following previous research (Brisol et al. 2007), in the affirmed condition participants were asked to describe any two situations in which they remembered having acted kindly towards someone else. In the non-affirmed condition participants were asked to list the names of at least 10 cities in their country. Participants filled out the 7-item self-concept clarity scale and the fantasy-shopping measure. Age, gender, and education level were asked last.

We regressed fantasy-shopping on affirmation, mean-centered self-concept clarity and its interaction with affirmation. Age, gender, and education were entered as covariates. As expected, we obtained a significant negative effect of self-concept clarity on fantasy-shopping ($r = -.85$, $t(49) = -5.25, p < .001$), qualified by a significant interaction between self-concept clarity and affirmation ($r = .37, t(49) = 2.36, p < .05$). Analyses of simple slopes (Aiken and West 1991) demonstrated that affirmed low self-concept clarity participants were less likely to fantasy-shop ($M = 4.17$) than non-affirmed ones ($M = 5.95$, $r = -.44, t(49) = -2.49, p < .05$). For high self-concept clarity participants, affirmed participants were not less likely to fantasy-shop ($M = 2.94$) than non-affirmed ones ($M = 2.46$, $r = .12, t(49) = .75, p > .1$). Study 2 supports our prediction that self-affirmation would help decrease fantasy-shopping tendencies for low self-concept clarity consumers.
decreases fantasy-shopping for low self-concept clarity consumers.

**CONCLUSIONS**

Marketers and consumers would benefit from knowledge about conditions that would be conducive to fantasy-shopping. Our research suggests that (1) low self-concept clarity consumers tend to relate to higher fantasy-shopping tendencies, and (2) self-affirmation can help decrease low self-concept clarity consumers' tendencies to fantasy-shop.

**REFERENCES**


The MOA Determinants of Innovation Diffusion: A Social Network Analysis
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EXTENDED ABSTRACT

CONCEPTUALIZATION

Innovation diffusion takes a communication scheme for product information exchange: Who transmits the messages? What message is transmitted? Which channel is to transmit the message? Who receives the message? And with what effects does the message deliver (Lasswell 1948)? The social network analysis approach provides a numerical perspective to examine the above communication flow (Freeman 1979). When a member sends or receives messages to or from other members directly or indirectly in a network, the number of messages sent by the member refers as the out-degree of flow. In the reception situation, when a member receives messages directly from other members, the number of message received is called in-degree of flow. In the above interpersonal communication, members are channels by which the message is transmitted in the social network. The number of channels is regarded as betweenness. Finally, closeness is defined as the longest geodesics (edges without repetition) that measure the number of the largest different members an individual who transmits messages is able to reach in the network.

The MOA (motivation, opportunity, ability) model elaborates the executional cues to process and enhance the message exchange (MacInnis 1991). High level of consumption motivations, response opportunities, and self-efficacy abilities can improve consumers’ attitude and memory during a message exchange process and therefore change purchase intention and brand attitude. Specifically, motivation can be divided into intrinsic and extrinsic (Ryan & Deci 2000). Intrinsic consumption motivation refers to active individuals themselves to achieve self-satisfaction and self-pleasure. Hedonic consumption is one type of intrinsic motivation when consumers make their own enjoyable purchase decisions (Spangenberg, Voss & Crowley 1997) and become more self-centered. On the other hand, conspicuous consumption is an extrinsic motivation that the external recognition or reward from others due to social desire and envy drives individuals to make a passive action and a low communication process (Chaudhuri 2006). Therefore, we hypothesize that:

H1: The greater hedonic and conspicuous consumption motivation to diffuse new product information, the lower in-degree (H20), out-degree (H20), betweenness (H20), and closeness (H10) centrality in a social network.

Other than the motivation, ability or perceived self-efficacy to communicate also affects the outcome of communication. Self-efficacy has two key influences on executing effective messages (Bandura 1986). First, the ability needs to match the message content in a receiver’s communication process. Communication skill is able to enhance the matching of interpersonal message. Second, to encourage deeper message flow, knowledge sharing is the one that deepens the message strength or depth but not emphasizes on the message content (MacInnis, Moorman and Jaworski 1991).

Communication skill allows individuals to systematically concern interpersonal relationship. Successful communication is not only to speak the sentence grammatically but also to understand the message transmission consequence (Gist, Stevens & Bavetta 1991). In addition, knowledge-sharing is a cognitive communication process with personal’s experience, language, and value. Such a sharing process is built on the foundation of interpersonal relationships. When individuals share knowledge to the audience, the sharing of knowledge needs to be reconstructed and be interpreted (Hendriks 1999). Due to the self-efficacy abilities, individuals are able to encode and decode messages. Therefore, we hypothesize that:

H2: The higher communication skill and knowledge sharing self-efficacy to diffuse new product information, the higher in-degree (H30), out-degree (H30), and betweenness (H30) centrality in a social network.

Innovation diffusion provides response opportunities for gaining more social support. Coping flexibility (Andrews 1988) and personal similarity are two important appeals in the social support communication (Hirsch 1981). New product adoption offers a social support opportunity by which individuals’ characteristics of similarity can be socially identified. New product also brings innovation information for gaining more coping flexibility of social support. Hence, those who are able to collect more information and interpret messages better by acquiring more coping skills and more similar personal characteristics would gain more social supports. Therefore, we propose that:

H3: The greater social support opportunity to diffuse new product information, the higher in-degree (H30), betweenness (H30), closeness (H30) centralities in a social network.

In an innovation diffusion process, opinion leader has been identified as a key role in social communication (Nair 2010). Opinion leaders are defined as individuals who influence other individuals by providing product knowledge and persuasive messages. It is believed that the information exchange process transmits messages the best through those who are trusted (Nair 2010). These trust relationships and communication nexuses are built among individuals who share certain similarities, which are closely related to the concept of homophily (Kalmijn 2003). Due to the homophily of opinion leaders and their connected people, the new product information dissemination is established. Therefore, we hypothesize that:

H4: The more likely to be identified as an opinion leader in diffusing new product information, the higher the out-degree (H40) and closeness (H40) centralities in a social network.

METHOD

This study employed secondary data analysis and an email survey to collect the social network interpersonal flow and consumer MOA data. The email survey was used to measure iPhone customers’ conspicuous and hedonic consumption motivations, communication skill and knowledge sharing self-efficacy, social support response opportunity, and opinion-leadership. The secondary data from
main findings

H_1 predicted that new product information diffusion motivations will negatively influence the ego centralities. The results showed that the coefficients of conspicuous and hedonic motivations are negative and significant (conspicuous for ego centrality: in-degree, -.064; out-degree, -.121; betweenness, -.074; closeness, -.053; p < 0.05; hedonic for ego centrality: in-degree, -.075; out-degree, -.128; betweenness, -.073; closeness, -.064; p < 0.05). H_2 predicted that new product information diffusion abilities will positively influence the ego centralities. Only the coefficients of knowledge sharing are found positive (knowledge sharing for ego centrality: out-degree, 0.052 and betweenness, 0.021; p < 0.05), but the coefficient for the in-degree centrality is negative (-0.092; p < 0.1). The standardized coefficients of communication skills are positive (communication skill for ego centrality: in-degree, 0.187; out-degree, 0.114; betweenness 0.174; p < 0.05). H_3 predicted that new product information diffusion opportunity will positively influence the social network centralities. The standardized coefficients of social support ability are positive (social support for ego centrality: in-degree, 0.043; betweenness, 0.01; closeness, 0.21; p < 0.01). Finally, H_4 predicted the higher possibility an opinion leader is identified, the more the closeness centrality. The result confirms this positive association (beta=0.182; p < 0.05). Implications for these findings are further discussed.

references


Asian Marketspaces and Digital Ethnographic Methods: Challenges and Adaptations
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ABSTRACT
With growth in social media, mobile communications, and location-based services, online transactional spaces are evolving in complex, multidimensional ways. In Asia – for reasons that are often cultural, linguistic or political – the patterns of evolution often differ from the well-known, dominant western patterns. This paper examines the challenges of employing online ethnographic methods in adaptive ways in Asian settings – particularly those in China, Japan and Korea; and with some attention also to other major Asian nations.

Starting with an evolutionary typology of online consumption and transaction spaces with an East Asia focus, the paper reviews the existing literatures on online ethnography and identifies the challenges and opportunities to evolve ethnographic approaches for Asian settings. The paper proposes adaptive directions for evolution of online ethnographic methods suitable for Asian contexts.

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PERCEPTIONS OF PAYMENT SYSTEMS (PPS SCALE): DEVELOPMENT AND VALIDATION

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EXTENDED ABSTRACT

The introduction of electronic money transfer system (EMTS) and supporting access tools: cards and mobile technology, ignited interest in mode of payment effects. There is growing evidence (in the context of consumer markets) that the mode of payment does indeed affect purchase behaviour (Feinberg, 1986; Hirschman, 1979; Prelec and Simester, 2001; Prelec and Loewenstein, 1998; Raghubir and Srivastava, 2008; Soman, 2001; Thomas, Desai, Seenivasan, 2010). Underpinning this research is the notion that the use of ETMS tools would remove the tangibility of notes and so affect purchase behaviour. The assumption is that a mental 'decoupling' occurs where payment and consumption is separated. The rationale for this is linked to the physicality of cash and the visceral nature of link to it as a token of exchange (Bruce et al., 1983; Filippo, 1994; Kirkland and Flanagan, 1979; Zelizer, 1994). This assumption is based on studies that shows people, particularly children perceive money differently based on actual size, shape and colour such as the work of Bruner and Goodman (1947) and Saugstad and Schioldborg (1966). Extant research primarily examines the effect of payment mode on purchase behaviour with data gathered via laboratory experiments, using scenario and/or questionnaire based data. A handful of field studies have examined actual behaviour (see Thomas et al., 2011). Where explanations/understanding is sought the focus is exploring the mental and emotional state experienced. Whilst there are scales that measure perceptions of money, none address the corporeal effects of using cash, cards or mobile payment modes. This working paper reports the development of such a scale.

Money perception measures can be clustered into three broad categories. The first links perceptions of money to personality traits: sensation seeking (Zuckerman, 1983), risk taking (Wong and Carducci, 1991; Scioritino, Huston and Spencer, 1987), materialism (Richins and Rudmins, 1994). A second correlates money with attitudes, values and behaviour (Furnham, Kirkcaldy and Lynn, 1994; Furnham, 1984). (Tang, 1992, 1993, 1995). (Mitchel, Dakin, Mickel and Gary, 1998). The dominant scales include Tang’s ethics scale (MES) Furnham et al., (1994) Money Beliefs and Behavioural scale (MBBS) and the Mitchel et al (1998) Money Importance Scale (MIS). Mode of payment effects are primarily assessed in the context of the 'pain of paying' with some exploring the emotional reaction to paying for bills and expenses using, cash, cheque and credit card others look at personal factors. For example, Rick, Cryder and Lowenstein (2008) assess 'pain' in the context of spendthrift and tightwad characteristics via the ST-TW Scale. Other studies explore the emotional reaction to paying for bills and expenses using, cash, cheque and credit card. Items that link the corporeal aspects of the exchange tool to purchase behaviour are not found and so the development of a scale that will also capture experienced mental and emotional associations with the corporeal aspects of cash and cards is necessary.

THE SCALE DEVELOPMENT PROCESS

The scale development process followed the procedures recommended by Churchill (1979), Eastman, Goldsmith and Flynn (1999), Rossiter (2002), Wells, Leavitt and Mc Convillie (1971), Teddie and Tashakhor (2003). Eleven focus group sessions were used to generate an initial pool of items. The focus group activities comprised responses to a series of projective tests (using $20, $50, $100 notes and a simulated debit card). Individual responses (written) and group based discussion (transcribed) were imported into NVivo version 9.0; analysis followed the procedure set by Coffey and Atkinson (1996). This stage generated items were reviewed by a team of experts resulting in 67 items.

For preliminary validation, the scale was administered to 331 third year and postgraduate students at a large tertiary institution. In the first test they were requested to select the first name of their maternal parent as an identifier. The results of this test were subjected initially to an EFA (oblique rotation) then to a CFA (AMOS). Items that loaded on more than one factor with difference between the absolute loading less than 0.25, as well as items those communalities less than 0.50 were eliminated. Six cash and seven debit card dimensions were identified. This process reduced the scale to 50 items.

After an interval of three weeks the revised instrument of 50 items was presented to the same group of students. Of these 259 had completed the first test. The EFA process removed a further 27 items and revealed a three factor solution for cash -Physicality, Control, Disposable (α=0.779) (KMO and Bartlett's test =.795, approx. ChiSquare= 1002.104, df.=78, Sig.=0.00) and four factors relating to perceptions of "debit card" Physicality, Control, Attributes, Modernity (α=0.754) (KMO and Bartlett's test =.757, approx. Chi-Square= 1659.3, df.=210, Sig.=0.00). The factors were tested against a null model (no factor is considered to underlie the observed variables, correlations between observed indicators are zero and variances of the observed variables are not restricted). The proposed three factor cash and four factor debit solution exhibits values greater than 0.9 for NFI, CFI, AGFI and less than .05 for RMSEA. The cash CFA exhibits ChiSquare= 49.93, df.=41, Sig.=0.00, RMSEA=.029, NFI=0.93, CFI=.98, GFI=.96 and AGFI=.94 and CFA for "debit card" shows ChiSquare= 68.60, df.=48, Sig.=0.00, RMSEA=.047, NFI=0.91, CFI=.97, GFI=.95 and AGFI=.93.

Since we have a small sample size and multivariate non-normal data construct validity is assessed following Fomell and Larcker's (1981). Results for the test of composite reliability and Cronbach alpha for three factor cash solution: "physicality" (0.70) Cronbach alpha (.83); "control" (0.42) Cronbach alpha (0.64); and "disposable" (0.60) Cronbach alpha (0.68). Four factor debit card solution: "physicality" (0.73) Cronbach alpha (0.83); "control" (0.45) Cronbach alpha (0.60); "attribute" (0.60) Cronbach alpha (0.60) and "modernity" (0.60) Cronbach alpha (0.70) respectively. The average variance extracted range from 0.74 to 0.55.

Discriminant validity is demonstrated by examining the correlations between constructs and comparing these to the...
square root of the average variance extracted. The square root of the average variance extracted cash dimensions were 0.86 (physicality), 0.76 (control) and 0.80 (disposable) and 0.87 (physicality), 0.76 (control), .080 (attribute) and 0.80 (modernity) dimensions of debit card. The square root of the average variance extracted for all dimensions were greater than the correlations estimated for three cash and debit card solution, indicating acceptable discriminant validity for each constructs.

CONCLUSION

The paper has given an overview of the process undertaken in developing “Perceptions of Payment Systems” (PPS SCALE). The scale items were generated and purified and confirmed via EFA and CFA procedures. The scale thus far exhibits validity on all dimensions. The next step is to determine reliability by testing the scale in multiple populations.

REFERENCES


Is “Gain” More Motivating than “Loss” in Competition?
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EXTENDED ABSTRACT

Imagine that one party (the leader) is leading in a competition. When approaching the end, the other party (the equalizer) equalizes. Which party is more motivating to win at this point in time? And consequently, which party is more likely to win? More generally, in this research we ask the following questions: 1) whether a “gain” situation (that is, when the equalizer gains the tie status from an almost-loss situation) is more motivating than a “loss” situation (that is, when the leader is pulled equal form an almost-win situation) in competition; 2) whether people’s lay intuition about the relative strengths of “gain” versus “loss” situations is consistent with the reality; and 3) if not, why people make such errors. Across three studies, we tried to answer the three questions.

In study 1, we compared people’s lay intuition about the result with the actual results. NBA games with overtime are ideal for analyzing motivation for the following reasons: 1) that the two teams tie during regular time suggests that they are very close in skills at that period in time; and 2) in other individual sports such as tennis, that break-even players are more likely to win may simply be due to the fact that the trailing players have better stamina. This confound is much less of a concern for NBA games. Most important, the two teams are exactly in gain versus loss positions when they end the game in a tie. With a few seconds to go, the leading team would take the win as granted (or at least very likely), the very action of break-even by the other team is thus a loss for them; whereas for the trailing team, the last-second score serves as a gain and pulls back a otherwise losing game.

In the prediction part, we described a NBA game (without mentioning the team names) in which the two teams tied during the regular time. We informed the participants that one team (the leader) reached the regular-time final score first and the other team (the equalizer) pulled even a few seconds before the end, and asked them to predict 1) which team would be more motivated during the overtime and which team were more likely to win. Most participants predicted that the equalizer would be more motivated and were more likely to win. However, an analysis of NBA games in the past 7 years (N = 532) showed that leading teams were significantly more likely to win. These results suggested that 1) “loss” is more motivating than “gain”, and 2) people believe the opposite, that is, “gain” is more motivating than “loss.”

While study 1 was suggestive, it did not directly measured players’ motivation. In study 2, we manipulated “gain” versus “loss” situation in a different context and measured participants’ motivation. We also manipulated the size of the incentive for the winner. Participants were led into one of two rooms and were informed that they would compete with another participant in a different room in solving IQ questions. They were told that the competition had three parts. After each part, participants received information of own and opponent’s total scores of the previous parts. Half of the participants (the leaders) were leading in the first two consecutive parts and then tied after three parts, the other half were the equalizers. An additional quiz was provided to determine the winner and participants were told that they should decide when to give up if they could not solve it. Unbeknownst to the participants, the final question was unsolvable. The time the participants took to solve the final question thus served as a measure of motivation. Participants were also randomly assigned to either no incentive, or $10, or $100 for winning. Across all the incentive conditions, the leaders persisted longer than the equalizers before giving up.

In study 3, participants were asked to imagine a situation identical to the one in study 1. The participants were randomly assigned to be either the leader or the equalizer’s role (between-subject). They were instructed to elaborate on their experience and then rate their intensity of motivation. In the study we had two types of participants: average participants recruited from campus and players recruited from basketball playground. For the average participants, the rated motivation was equally strong between the leaders and the equalizers; whereas for the players, the rated motivation was significantly higher among the leaders than among the equalizers.

Overall, the studies provided converging evidences that “loss” is more motivating than “gains” in terms of real motivation. However, people intuitively believe the opposite, and this erroneous belief is partially due to an asymmetric attention to the “gain” situation; when we forced the participants to think only one situation, the rated motivation was more consistent with the reality.
Does the Distribution-Sales Relationship Differ Between Channels and Countries? An Empirical Analysis
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EXTENDED ABSTRACT
It is well documented in the distribution literature that retailers often increase their coverage of a product in response to sales increases (e.g., Farley and Leavitt 1968). In this case, retailers “take markets” by “pulling” sales from existing consumer demand.

Previous research has also shown that the relationship between coverage and sales can proceed in the opposite direction. That is, sales increases may sometimes materialize due to increases in coverage. In this case, retailers “make markets” by “pushing” products on consumers, thereby increasing existing demand (e.g., Eliashberg et al. 2000). Furthermore, it has been shown that retailers can engage in market-taking and market-making simultaneously (Bronnenberg, Mahajan, and Vanhonacker 2000).

Although it is intuitive that retailers should increase coverage of products that are selling well, it is somewhat less intuitive that retailers should take the risk of increasing coverage before sales increases have materialized in an effort to push these products on consumers. This is especially true for innovative new durable products which can be both risky and expensive for retailers to hold in inventory. Indeed, whereas past research has demonstrated the market-making effect in fast moving consumer goods categories and in the context of new movies, the effect has not been documented in a new durable product category.

The purpose of this research is to examine whether retailers in different countries make their coverage decisions for a new durable product in the same ways, and if not, to explore the conditions under which they are likely to engage in market-making. Specifically, we use a simultaneous equation model to analyze sales and distribution coverage of two brands (Sega and Sony) of an innovative new consumer durable (32-bit video game consoles) in competing types of distribution channels (e.g., department stores, mail order stores, large specialists) in four European countries (France, Germany, Netherlands, and the United Kingdom).

Our analysis focuses on how the coverage decisions of two types of distribution channels—large specialists and all-under-one-roof value stores—may influence the coverage decisions of other types of distribution channels. We propose that both of these types of distribution channels have unique characteristics that make them especially potent competitors within innovative new electronics goods categories.

First, large electronics goods specialists (e.g., Best Buy in the U.S.) may sometimes have an informational advantage over other types of distribution channels when evaluating the market potential of an innovative new electronics product. This informational advantage may arise from these stores’ depth of experience with related products, detailed sales data from related product categories, and in some cases their strong relationships with manufacturers. In addition to an informational advantage, many electronics goods specialists have loyal customer bases. This loyalty is often based on the trust that consumers have in the advice and selection available in these stores, and in some cases on the existence of product repair and replacement plans and after-sale service centers available in the stores.

Second, all-under-one-roof value stores (e.g., Wal-Mart Supercenter in the U.S.) have the advantage of being both habitual and destination stores (see Levy and Weitz 1998) as well as both generalists and specialists (see Miller, Reardon, and McCorkle 1999). These hybrid characteristics may give all-under-one-roof value stores the ability to pre-empt competing channel types. In addition to the advantages offered by their hybrid characteristics, all-under-one-roof value stores may often be able to secure price discounts from manufacturers who are eager for their products to be widely available in stores that routinely have such large traffic volumes.

Based on this reasoning, we propose that large specialists and all-under-one-roof value stores are the two types of channels that are most likely to try to push innovative new electronics goods on consumers.

We develop an econometric model with a simultaneous relationship between sales of brand $i$ ($i = 1, 2$) in channel $j$ ($j = 1, ..., 4$) and the coverage of brand $i$ in channel $j$ at time $t$. In order to control for sales growth, we employ a sales response model specification that is consistent with models specified in studies of new product introduction (Shankar 1997, 1999, Shankar, Carpenter, and Krishnamurthi 1999). Equation 1 is the sales equation.

$$SO_{ijt} = \exp \left[ \alpha_{0ij} + \alpha_{1} \cdot ON_{it} + \alpha_{2} \cdot DJ_{jt} + \phi \cdot \frac{1}{T_{ijt}} + \gamma \cdot CSC_{it} \right] \cdot \left( RP_{ijt} \right)^{\beta} \cdot \left( WD_{ijt} \right)^{\delta} + \varepsilon_{ijt}^{SO} \quad (1)$$

where:
\( SQ_{ijt} \) = sales quantity of brand \( i \) in channel type \( j \) in period \( t \)

\( ON_i \) = 1 if \( t = \text{October - November bimonth, and 0 otherwise} \)

\( DJ_i \) = 1 if \( t = \text{December - January bimonth, and 0 otherwise} \)

\( T_{ij} \) = number of periods, at period \( t \), since brand \( i \) was introduced in channel type \( j \)

\( CSC_j \) = cumulative sales of the competing brand (brand \( i' \)) across all channels up to period \( t - 1 \)

\( RP_{ijt} \) = price of brand \( i \) in channel type \( j \) at time \( t \) relative to the average price across brands and channels over the period of analysis

\( WD_{ij} \) = distribution coverage of brand \( i \) in channel type \( j \) in period \( t \) weighted for volume of sales in product category

\( \alpha_{0j} \) = baseline sales, sony dummy, and channel dummies

\( \alpha_1, \alpha_2 \) = seasonal impacts on sales quantity

\( \phi \) = impact of time on sales quantity

\( \gamma \) = impact of cumulative sales of the competing brand on sales quantity

\( \beta \) = impact of price on sales quantity

\( \delta \) = impact of distribution coverage on sales quantity

\( \varepsilon_{ijt}^{SQ} \) = error term distributed \( N(0, \sigma^{SQ}) \)

Equation 2 is the coverage equation.

\[
WD_{ijt} = 1 - \exp\left\{ a_0 + a_1 \cdot \ln(SQ_{ijt}) + b \cdot WD_{ijt-1} + \varphi_s \cdot NSC_j \cdot WDS_{ijt-1} + \varphi_h \cdot NAC_j \cdot WDA_{ijt-1}\right\} + \varepsilon_{ijt}^{WD}
\]

where:

\( WD_{ij} \) = weighted distribution coverage of brand \( i \) in channel type \( j \) in period \( t \)

\( SQ_{ij} \) = sales quantity of brand \( i \) in channel type \( j \) in period \( t \)

\( WD_{ijt-1} \) = weighted distribution coverage of brand \( i \) in channel type \( j \) in period \( t - 1 \)

\( NSC_j \) = 0 if \( j \) = large specialists, and 1 otherwise

\( NAC_j \) = 0 if \( j \) = all - under - one - roof value store, and 1 otherwise

\( WDS_{ijt-1} \) = weighted distribution coverage of brand \( i \) in large specialist channel in period \( t - 1 \)

\( WDA_{ijt-1} \) = weighted distribution coverage of brand \( i \) in all - under - one - roof value store channel in period \( t - 1 \)

\( a_0 \) = intercept

\( a_1 \) = impact of sales quantity on distribution coverage

\( b \) = inertia : impact of distribution coverage in the same channel in the previous period on distribution coverage in the current period

\( \varphi_s \) = impact of distribution coverage in large specialist channel in the previous period on distribution coverage in the current period

\( \varphi_h \) = impact of distribution coverage in all - under - one - roof value store channel in the previous period on distribution coverage in the current period

\( \varepsilon_{ijt}^{WD} \) = error term distributed \( N(0, \sigma^{WD}) \)
We estimated Equations 1 and 2 simultaneously three-stage nonlinear least squares. The results suggest that market-taking occurred in all four countries ($a_{1, \text{France}} = 0.069$, $a_{1, \text{Germany}} = 0.159$, $a_{1, \text{Netherlands}} = 0.614$, $a_{1, \text{UK}} = 1.857$, all ps < .01), thereby validating past research and demonstrating that the tendency of channels to pull sales from existing consumer demand is robust.

Furthermore, market-making, which requires channels to take substantially greater risks, only occurred in the one country in which we also observed channel types countering the coverage decisions of large specialists or all-under-one-roof value stores. Specifically, in Germany coverage increases led to contemporaneous sales increases ($\delta = 2.939, p < .01$) and the coverage decisions of large specialists were countered by the coverage decisions of other channel types ($\eta_{1} = -0.594, p < .05$). This provides support for our hypothesis that large specialists are more likely than other types of channels to push innovative new electronics goods on consumers and that other channel types may respond to this tactic by decreasing their own coverage of the product.

Together, our results provide preliminary evidence that whereas market-taking is a robust phenomenon across countries, market-making, which entails substantially more risks, is more limited in scope and depends on the competitive interactions between types of distribution channels. Our results suggest that manufacturers of innovative new products may wish to provide special incentives to large specialists and all-under-one-roof value stores in an effort to get them to increase their coverage of the product before substantial sales increases have materialized. However, manufacturers should be cautioned that other types of channels may respond by decreasing their coverage of the product. Thus, manufacturers should weigh these costs and benefits when deciding how to pitch their products to different types of retailers.

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How Goal Activation, Goal Importance and Goal-Product Fit Affect the Importance of Attributes in Product Evaluation Weight
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EXTENDED ABSTRACT
Attribute weights in product evaluation are closely related to consumers’ goals. Certain attributes take on greater importance in the presence of particular goals. For example, products that possess attributes that better fulfill consumers' conscious goals tend to be evaluated more positively (e.g., Garbarino and Johnson 2001). Other research has shown that utilitarian attributes are more important than hedonic attributes when consumers are driven by prevention goals (i.e., minimizing negative outcomes) (Chernev 2004). The role of goals in attribute weighting, however, has not been fully explored. The current work provides a framework of the relationship between goals and attribute weighting in product evaluation. Specifically, we examine the role of goal activation, goal importance, and goal-product fit.

First, it is proposed that attributes affect product evaluation more when attribute-relevant goals are activated (i.e., occupy consumers’ thoughts). Specifically, attributes that are better able to fulfill a goal should be most likely to do so when the goal is activated. We test this idea in our first study. Second, attributes related to goals that are important to consumers should be more likely to impact product evaluation. This means that the ability of an attribute to fulfill a goal should have a greater impact on overall product evaluation when the attribute-relevant goal is important. We test this in our second study. Finally, we examine the notion that certain products are likely to be perceived to “fit” well with certain goals, and poorly with others. For example, many consumers frequently consider whether their coffee is fairly traded, yet this goal is seldom considered when buying wine. Reduced product-goal fit should reduce the influence of attributes relevant to that goal on the overall product evaluation. This is tested in Study 3.

STUDY 1.
One hundred and thirty-nine students participated in a 2 (Attribute Ability: Low vs. High) x 2 (Goal Activation: Yes vs. No) between-subjects factorial design. Students were presented with information for a brand of coffee that, among other attributes, was said to contain either 5% (low ability) or 100% (high ability) fair trade beans. Goal activation was manipulated in an article ostensibly from an online coffee guide that participants read prior to product evaluation. An additional line was included in the Goal Activation condition that mentioned fair trade could bring many benefits to coffee farmers. Participants then completed thought listings (i.e. to measure goal activation) and measures of their evaluation of the coffee. Examination of the thought listings showed that participants generated more thoughts related to the fair trade in the Goal Activation conditions (X²(136) = 4.53, p < .05). Consistent with our predictions, a significant Attribute Ability x Goal Activation interaction (F(1, 135) = 5.59, p < .05) indicated that the effect of attribute ability on product evaluation was more pronounced when the goal was activated (goal activated: Ms = 3.69 vs. 5.06; F(1, 135) = 21.72, p < .05; goal not activated: Ms = 4.20 vs. 4.58; F(1, 135) = 1.72, p > .1).

STUDY 2.
Study 2 examined the role of goal importance in the influence of attributes on product evaluation. One hundred and thirty-nine students participated in a 2 (Attribute Ability: Low vs. High) x 2 (Goal Importance: Low vs. High) between-subjects factorial design. Students were presented with information for a brand of shampoo that, among other attributes, was said to contain either 5% (low ability) or 100% (high ability) biodegradable ingredients. Goal importance was measured at the end of the study in a 15-item scale assessing the importance of the environmental to consumers (adapted from Fraj and Martinez 2006). Regression showed that goal importance moderated the relationship between attribute ability and goal activation (r=.20, p<0.05). To extrapolate the interaction, participants were categorized as either high or low in goal importance based on a median split. Consistent with the regression, a significant Attribute Ability x Goal Importance interaction (F(1, 135) = 5.09, p < .05) indicated that the effect of attribute ability on product evaluation was more pronounced when the goal was important (high goal importance: Ms = 4.07 vs. 5.13, F(1, 135) = 12.58, p < .05; low goal importance: Ms = 3.98 vs. 4.07; F < 1).

STUDY 3.
Study 3 examined the role of the goal-product fit in the influence of attributes on product evaluation. One hundred and twenty-one students participated in a 2 (Attribute Ability: Low vs. High) x 2 (Goal-Product Fit: Low vs. High) between-subjects factorial design. Participants saw information about a pair of binoculars that, among other attributes, contained information about the lens material. Half of the participants were told that the lenses were made from optical glass (low ability). The remaining participants were told that the lenses were constructed out of optical eco-glass (a lead and arsenic free product) (high ability). The fit between binoculars and environmental goals was assumed to be low. Consequently, we attempted to increase Goal-Product fit by manipulating an article, ostensibly from an online binocular guide, that participants read prior to product evaluation. In the High Goal-Product Fit conditions, it was mentioned that buyers should, as with all products, consider the environmental impact of the products they purchase. A significant Attribute Ability x Goal-Product Fit interaction (F(1, 117) = 5.13, p < .05) indicated that High Ability led to more favorable product attitudes when Goal-Product Fit was high (Ms = 5.23 vs. 4.30; F(1, 117) = 6.22, p < .05), but not when it was low (Ms = 5.13 vs. 5.41; F < 1).

DISCUSSION
While the extant literature shows that attributes can be weighted according to goals (Chernev 2004), the current research contributes to the literature by examining how three
goal related factors influence attribute weight in product evaluation. First, goals that are activated or important to consumers were more likely to strengthen the impact of goal-relevant attributes on product evaluation. When a goal was unimportant, the ability of the attribute to fulfill the goal had little effect on product evaluation. Second, for goals to influence the impact of attributes on product evaluation there needs to be a perceived fit with the product. That is, products should be seen as appropriate means to fulfill particular goals if relevant attributes are to impact the overall evaluation of the product. Consistent with this, good performance on an attribute was more likely to result in more favorable product attitudes when the goal-product fit was high.

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If It is My Brand, I like All of Its Friends: Brand Identity Fit in Co-branding

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EXTENDED ABSTRACT

Brand identity is considered to be one of the most important drivers of a successful brand. Emerging research defines brand identity as a cultural meaning system that resonates with target consumers’ lifestyles, dreams, and goals (Thompson, Rindfleisch, and Arsel, 2006). Brands with strong identity values make it easier for consumers to identify with and to internalize brand values, therefore foster a strong bonding between consumers and brands (de Chernatony 1999, 2006). As a result, brands can eventually become important means, tools and symbols for consumers to employ to express values and identities, or become an extended part of consumers themselves (Mittal, 2006; Fournier, 1995).

However, what remain unknown are 1) how the fit or misfit of the brand identities of two partners affect consumers’ attitude towards the brand alliance and 2) how loyal consumers of the focal brand reconcile with the misfit with co-brand, if there is any. This research addresses these issues in a co-branding context where two parent brands are aligned to create a single product or service.

Specifically, we are interested in exploring how consumers who highly identify themselves with a focal brand address brand alliance when the brand partners have a low fit in terms of their brand identity. Existing research suggests two competing outcomes: highly identified consumers will be more tolerant of brand identity misfit (Einwiller et al. 2006), therefore, their attitude toward brand alliance does not depend on whether there is a brand identity fit or misfit in a brand alliance. Conversely, highly identified consumers can be more fastidious about a brand identity misfit as they understand the nuanced meaning system of their loyal brand (White 2007). On the other hand, little research has been done to address when consumers are not identified with a focal brand, whether brand identity fit plays a role in their evaluation of the brand alliance. Existing research has explored how brand concept fit and product category fit can affect the success of brand alliances. Therefore, attitude will be more positive when brand concept fit or product category fit than misfit (e.g., Aaker and Keller 1990; Park et al. 1991; Simonin and Ruth 1998) whereas “brand identity fit” is rarely examined in this context. We argue that brand identity is an important dimension to gauge the fit between brand partners other than brand concept (Park et al. 1991; Simonin and Ruth 1998). Brand identity is the cultural meaning system co-created, shared and perceived by consumers whereas brand concept is brand meaning engineered and crafted by corporations. Therefore, our focal concern is how brand identity fit between brand partners affects the success of their alliance and how identification with a focal brand moderates the effect of brand identity fit on attitude toward brand alliance.

To address the research question, we tested how identification with a focal brand moderates the impact of brand identity fit on the attitude toward brand alliance and found that consumers with high identification with a focal brand tend to tolerate brand identity misfit in a brand alliance (Study 1). We employed qualitative depth interviews and identified two coping strategies loyal consumers of original brand employ to reconcile with the misfit between the original brand and the co-brand (Study 2). Lastly, we examined the effect of different coping strategies on loyal consumers’ attitude towards the brand alliance (Study 3).

STUDY 1

Study 1 was designed to test how identification with a focal brand moderates the relationship between brand identity fit and attitude towards the brand alliance and loyalty of the target brand. We first conducted a pretest to identify brand alliance pairs which have either a high or low identity fit. In a pretest, 30 participants were asked to evaluate how various values (e.g., “anti-status quo,” “rebellious,” “fun”) represented Apple brand (focal brand in our study) and 10 potential brand partners such as Intel, Nintendo etc with a 7-point semantic scale anchored by “1” being “not at all” and “7” being “very much so.” In addition, we paired Apple with each of the 10 brand partners and asked pretest participants to evaluate the fit of each pair of brand alliance along 7-point semantic scales anchored by “1” being “not at all a good fit” and “7” “a very good fit.” Based on pretest results, among selected brands, Apple had the highest rating on the dimension of anti-status quo and rebellious (M=4.00). Among the brand partners, Intel had significantly lower rating on this dimension (M=2.73, p<.05) and Nintendo had similar rating compared to Apple (M=3.98, p>.05). In addition, the perceived fit between Apple and Intel is lower than between Apple and Nintendo (4 vs. 4.78, p<.05). Therefore, we selected Apple and Intel alliance as the brand alliance with low brand identity fit and Apple and Nintendo as high brand identity fit. To avoid flooring and ceiling effects, co-branding pairs with extreme high fit (e.g., Apple+U2 band) and low fit (e.g., Apple+Air Canada) were dropped.

In the study, eighty four Apple users were asked to indicate their identification with Apple brand on 5 items (Bhattacharya et al., 1995). Next, they read a fictitious press release announcing the collaboration of Apple and Intel (or Nintendo). They were asked to rate the identity fit between the two brands, their attitudes of the brand alliance. Regression of identification (a continuous variable) and identity fit (high vs. low) on the attitude toward brand alliance was significant (beta =.43, p<.05). We found that when consumers have strongly identified themselves with Apple brand, their attitude toward brand alliance is not affected by whether brand partner is a fit or misfit with Apple brand (M=5.45 vs. 4.98, F<1). However, when consumers have low identification with Apple brand, they evaluated low fit pair (Apple+Intel) more favorably than high fit pair (Apple+Nintendo) (M=5.93 vs. 4.72, F(1, 80)=6.86, p<.05). To explain this interaction effect, we conducted a post-hoc study and discovered that consumers highly identifying themselves with Apple demonstrated a halo effect. In other words, their emotional bonding with Apple carried over to its brand partners regardless of their fit, therefore they do not discriminate brand alliance with low brand identity fit. In contrast, with low identification with Apple brand,
consumers’ attitude toward brand alliance is driven by the functional benefit of the partner. In this case, Intel made the computer run faster whereas consumers did not know in what way Nintendo could benefit Apple, therefore, they rated brand alliance more positively in a brand identity misfit condition.

**STUDY 2**

Study 2 set out to understand the halo effect uncovered in Study 1. That is, when a brand partner has a low brand identity fit with the focal brand, how do loyal consumers reconcile with the misfit and evaluate the brand alliance positively? Depth interviews (one to two hours) with six Apple loyal Mac users (basic themes can present themselves within six interviews, Guest et al., 2006) were conducted. Through thematic analysis, we found that informants felt that Apple’s brand identity was impaired because Intel had been mainly associated with PCs. This indicates that loyal Apple brand users in Study 1 recognized the identity misfit between Apple and Intel but they were just tolerant of the misfit. In addition, we uncovered two coping strategies informants employed to buttress their support of Apple brand vis-à-vis the misfit co-branding efforts: “decoupling” (as in Ahluwalia, 2000, subjectively and blatantly dismiss the negative impact of Intel on Apple brand) and “biased assimilation” (subjectively boost evaluation of Intel so that it can be assimilated into positive associations of Apple brand).

Taking findings of Study 1 and Study 2 together, we propose that for consumers with high identification with a focal brand, perceived brand identity fit moderates the impact of coping strategies on attitude towards the brand alliance. Specifically, when brand identity fit is low, decoupling is more effective than biased assimilation at defending, or maintaining the positive attitudes of the brand alliance. However, when brand identity fit is high, coping strategies may not affect brand alliance evaluation because both the positive association with the original brand and the brand identity fit can drive up the evaluation of the brand alliance. We tested this proposition in Study 3.

**Study 3.**

A 2 (coping strategy: decoupling vs. biased assimilation) by 2 (fit: low vs. high, measured factor) between-subject design was adopted. Eighty six Apple users participated in the study. They read a “new product release” announcing the brand alliance between Apple and Intel and then were provided with comments by online consumers on the brand alliance (coping strategies were manipulated by whether comments from peer consumers demonstrate decoupling or biased assimilation strategies). Then subjects responded to a survey measuring their attitude toward the focal brand and the perceived fit between Apple and Intel (7 items, adapted from Taylor and Bearden 2002). Regression yielded a significant interaction between coping strategies and fit on attitude towards the brand alliance (beta=-.42, \( p < .05 \)). To extrapolate the interaction, we classified perceived fit into low and high groups based on median split. Our propositions were confirmed that when the perceived fit was low, attitude towards brand alliance was more positive when a decoupling strategy (vs. biased assimilation) was activated (M=5.08 vs. 4.22; F(1,41)= .66, \( p > .05 \)). However, when the perceived fit was high, coping strategy had no impact (Mdecoupling=5.19 vs. Mbiased=5.47, F(1,39) = .17, \( p > .05 \)).

This research discovered that whether brand identity fit/misfit affects attitudes towards brand alliances depends on how consumers identify themselves with the focal brand. Specifically, loyal consumers are tolerant of brand identity misfit in brand alliance due to the halo effect and due to the biased assimilation strategy (vs. decoupling) they adopt to maintain their loyalty. However, for consumers with low brand identification, brand identity fit is not a diagnostic cue for their evaluation of the brand alliance as they do not really understand the nuanced meaning of the focal brand and can accidentally favor brand alliance with brand identity misfit.

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Motivations for and Valence of Recycled Word-of-Mouth  
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EXTENDED ABSTRACT
From the recommendation of an excellent restaurant or a dream travel destination, to the expressed anger at dangerous products or dioxin contamination, we constantly receive information about products and services. In an era that sees word-of-mouth (WOM) information passing through a dizzying array of communication channels beyond the traditional face-to-face mode (Hennig-Thurau & Walsh 2003), consumers are likely to be bombarded with WOM whose credibility is hard to verify. The ubiquity of such WOM can easily lead to unrealistic enthusiasm at or premature rejection of tangible and intangible products.

Presumably, many individuals who give WOM possess firsthand information through ownership or consumption experience about the products that they discuss. Numerous individuals, however, discuss products that they do not own or have not used. Instead, they relay opinions from owners or users. The potential impacts of such recycled WOM, or secondhand WOM (SWOM), spell both opportunities and threats for organizations. On one hand, positive SWOM quickly publicizes products because for every firsthand WOM (FWOM) giver, there may be multiple SWOM givers. On the other hand, SWOM will hurt organizations if it takes the form of inaccurate and potentially damaging rumors that tend to snowball out of proportion. Thus, understanding the nature of the SWOM spread on their products is critical to organizations.

Unfortunately, research on WOM has been limited to the first level of communication. Here, we take the first step in systematically examining SWOM by asking the following: Do SWOM givers discuss similar or different kinds of products as FWOM givers? Is SWOM content mostly neutral, positive, or negative? Are SWOM givers driven by similar motivations as their firsthand counterparts? How do SWOM receivers evaluate SWOM?

Existing research on WOM indicates that FWOM (including neutral facts and positive and negative evaluations (Anderson 1998)) affects purchase decisions of all kinds (Dichter 1966; Keller & Fay 2009). Studies have also identified several underlying motivations of WOM giving behaviors. They are namely object-related (such as product or message involvement), self-oriented (such as gaining attention or showing connoisseurship), and other-oriented (like helping others or seeking belongingness) (Dichter 1966; De Matos & Rossi 2008; Sundaram, Mitra, & Webster 1998). It is conceivable that WOM givers who have self-oriented or other-oriented motivations will focus on that portion of their experience to enhance their self-image or their chance in establishing social contacts. Such selectivity creates biases in information processing, resulting in inaccurate portrayals of their consumption experience.

We conducted an exploratory study in a German university. Forty-three undergraduates participated in a survey study in groups of two to four for extra course credits. Participants recalled an occasion when someone told them about a product. This “someone” had not used the product but had heard about it from another person. The participants then wrote down in as much detail as they could recall what exactly this “someone” had said. They next evaluated the information on believability and relevance, among others, and rated the extent to which they thought the givers were motivated by fact-sharing, self-oriented, and other-oriented reasons. We also measured other variables, such as tie strength, difficulty of recall, and likelihood of passing on the information, in order to check for potential relationship between them and the crucial variables. Two coders coded the number of positive, negative, and neutral details from the SWOM. Disagreements were discussed and resolved before further analyses. The total number of details was also obtained by summing up the above three.

Preliminary analyses reveal that participants mainly received SWOM from strong-tie individuals (mean of tie strength=5.16 on a 7-point scale). SWOM was split on products/services (53%/47%), and higher-priced/lower-priced items (57%/43%). On average, the SWOM was considered only mildly difficult to recall (mean=2.64 on a 5-point scale), and contained 6.59 total details, with more neutral (mean=3.49) and positive (mean=2.98) than negative details (mean=0.28). Positive and neutral details are both positively correlated with the total amount of details.

Concurring in part with existing literature, our data suggest that SWOM givers were motivated by multiple reasons (measured on 5-point scales) to give WOM. The most prominent perceived reasons were to share information (akin to Dichter’s product-involvement motive (1966)) (mean=4.05) and to help others (also mentioned by Dichter (1966)) (mean=3.75). Self-oriented reasons were only considered moderately likely (mean=2.62). Individuals perceived to be motivated by self-oriented and other-oriented reasons tended to share many neutral details, and be more prone to talking about higher-priced products. Therefore, it is plausible that SWOM on big-ticket items are subject to more biases and distortion in the course of its transmission.

The current research contributes to our understanding of SWOM in three ways. First, SWOM givers may be less driven by self-oriented but more by other-oriented reasons to give WOM than FWOM givers. Without using or owning the products discussed, SWOM givers have less ground to show off, but more reason to talk for social purpose. Our preliminary data provide initial evidence for this argument.

Second, we found considerably more positive than negative SWOM. This contradicts the common assertion that claims otherwise (e.g., Anderson 1998). We speculate that SWOM givers may choose to spread predominantly positive WOM to be more socially facilitative. Interestingly however, positive details in SWOM are considered rather dubious by participants. Therefore, generously positive SWOM may present organizations with a double-edged sword. The increased awareness of their products may be offset by the lack of believability of the information.

Finally, organizations seeking to make use of SWOM may benefit by facilitating the communication of facts related to their products. Our data show that SWOM contained a lot of neutral details. In addition, SWOM receivers showed
intention to further pass on informative and useful information. By making product information easy to transmit, organizations can nurture sustainable SWOM communication.

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EXTENDED ABSTRACT

INTRODUCTION: THE CHARACTERISTICS OF CHINA AS AN EMERGING MARKET

As an emerging market with huge potential, China has given the rest of the world a surprise with such rapid economic development of an average GDP growth of 9.6 percent over the past ten years. The positive impact of economic development notwithstanding China as an emerging market has manifested its deficiencies in the areas of legislation and regulation construction and companies’ self-regulation.

China has a long way to go in constructing completed legal and institutional system to protect consumers. Many companies are taking advantage of the less sophisticated legislation to make profit, causing extremely negative consequences. Due to information asymmetries, it’s impossible for consumers to obtain sufficient and right information before they buy certain kind of product, even if the product failure occur, consumers are powerless to seek protection according to current legislation and regulation on consumer rights protection. Given this situation, protecting consumer rights especially when consumers are harmed by product failure is of practical importance. In this paper, we put our insights on the changing reality in China, based on our qualitative study in the past one year, with the aim of introducing and analyzing the role of social media as an institutional supplement to protect consumer rights in China, we select the Sanlu as a special case to support our propositions.

Consumer Protection

Consumer protection can be defined broadly or narrowly. A narrow definition relates to the risk in markets that are not perfectly competitive where consumers may be misled or cheated (Hadfield, Howse & Trebilcock, 1997). A broader definition identifies a need for consumer protection when consumers are unable to purchase goods at the least possible price, after allowing for transaction costs (ibid).

Consumer protection issues typically arise because of a market failure. The previous study (ibid) had summarized three primary causes of consumer protection issues. The first is where consumers lack bargaining power relative to suppliers, leaving them open to exploitation. The second is where the cost of information or transaction cost is too high to obtain and process. The third is when consumers or sometimes suppliers lack access to information. In this paper we focus on consumer protection issues which are caused by information asymmetries.

Legislation is a primary means of consumer protection. In some developed countries, the term “consumer protection provisions” are included in legislation, which refers to “a set of procedural rights designated to protect the individual in their engagement with the market. The corpus of these rights is choice, information, the power of exit and the ability to seek redress in the event of service failure (Johnston, 1996). When the formal legislative protection is lacking there still are other channels for consumer to get their voice heard, one of them being social media.

The Rapid Development of Social Media in China

In the past decade, the number of internet users in China has grown from millions to billions. According to the statistics of CNNIC (China Internet Network Information Center) till June in 2010, the number of internet users is 4.2 billion, among them 2.77 billion people are mobile internet users. Internet is no longer just for younger generations and urban citizens, it has become a mainstream phenomenon in China.

Consumers in different locations build up close attachment through kinds of social networks, consumers unite through the platform of social media to express their voice, and form strong power which represent will of the people. The power is so strong that could force government to take actions to protect consumer rights.

Empowered Consumers in Social Media: A Case of Sanlu Scandal

Sanlu Scandal is a case in point which provides evidence for the role of social media in protecting consumer rights. A large number of people participate in online discussion, which finally forms a powerful will of people which drive the government to take actions to investigate the issue, compensate harmed consumers, and punish the company and related persons.

We select Tianya social community to conduct our observation on this issue. Tianya community has more than 4736, 2421 resistors in China, it’s no doubt the biggest online community in China. To illustrate the power of social media, in this paper we intercept the time span from Sep 11, 2008 to Sep 17, which is the critical period of Sanlu issue. On Sep 11, 2008, mass media announced that 59 infants in Gansu Province were harmed by, but Sanlu hold on the statement that the powder was qualified, till late in that night, the company changed its statement that 700 tons of powder was condemned. On the same day, consumers reacted spontaneously in tianya community, there were 8 posts related to “Sanlu issue”, a total number of 1492 consumers participate in discussion, while there were 11,4970 visitors click these posts. In the next several days, the number aroused rapidly, hundreds of thousands of consumers give vent their revenge through social media platform, express their appeal to punish Sanlu. On Sep 14, the government had to announce that take “The First Class Reaction” to Sanlu issue. On Sep 15, Sanlu Company apologized to the public.
DISCUSSION

Facing the incomplete legal system and imperfect consumer rights protection institution, the will of mass people finally drove government to make decisions that are beneficial to the rights of consumers. During the process of this issue, the role of social media has eminently appeared.

REFERENCES


EXTENDED ABSTRACT

Advertising is a powerful tool that can shape consumers’ perceptions about a product and effect their decision making process. It is well known that when advertising precedes product trial, it forms expectations that can be fulfilled or unfulfilled by product usage (Deighton 1984). Recent research (Loftus 1982; Cowley and Janus 2004; Braun, Ellis and Loftus 2002; Braun 1999) indicates that when advertising follows product experience it can alter consumers’ experiential memories causing consumers to remember the experience not necessarily as better but as different. Memory schemas effect how consumers interpret sensory product experiences (Braun 1999). Memory distortion is a vast area in cognitive psychology investigated by hundreds of studies ranging from eyewitness testimony (Loftus 1979/1996; suggesting leading questions and the wording used in the questions can alter and direct a witnesses memory), to giving false information after direct experience. The latter one extends to autobiographical memory and called “the misinformation effect” (Loftus and Hoffman 1989). False memory differs from false information such that in false memory direct experience exists without any misleading information at first; however the interpretation of this experience is manipulated and altered by following misinformation.

The misinformation paradigm has intriguing implications for marketing research. One of the first studies in this area was of Braun and Loftus (1998) where they investigate whether advertising misinformation effect can change color memory for a previously seen candy bar wrapper. Later Braun (1999) made the consumers taste a poor orange juice mixed with salt and vinegar however showed the advertisements that depicted the juice as fresh, sweet and pure. The latter information provoked the consumers to remember the juice with a better taste than they originally consumed. Memory of that taste experience is reconstructed and bad experience is altered with a pleasant one. Later Cowley and Janus (2004) elaborated on Braun’s (1999) study, emphasizing on the centrality of the object of the misinformation to the experience and the type of memory [observation memory versus evaluation memory]. Using familiarity as a moderator Cowly and Janus (2004) explored whether advertising can prompt consumers to believe they tasted a different product. In another study of Braun, Ellis and Loftus (2002) people believe to shake hands with an impossible TV character.

In this study a 2x2 between subjects experimental design was used to test whether post experience advertising can change consumers’ memory such that they remember seeing the size of the product package bigger than it actually is. A hypothetical chocolate brand, “Linden” was created and five different sized packages of Linden were produced. 152 undergraduate and graduate students participated to the study. Subjects came to the experimental setting expecting to participate in a country-wide package design test for Linden. They were briefly informed that Linden was a foreign chocolate manufacturer preparing to enter to the market and that the company wanted to know about consumers’ thoughts about the package of its product. To reduce demand effects, subjects were told that their honest feelings were very important for the company since the package could be altered to better suit consumers’ tastes. The experimenters then passed around identical samples of the Linden package (it was the medium size package of all five), asking respondents to examine the package carefully and allowing sufficient time for the task. After each subject examined the package, the experimenters collected the samples and administered a five minute distraction questionnaire measuring subjects’ proneness to brand loyalty.

Following the task, subjects were then exposed to either the verbal or the visual advertisement, depending on their experimental condition. Participants in the verbal group were shown an ad, which displayed a petite, female hand holding a Linden package 3 times larger than the original sample that they had examined in the beginning of the experiment. The ad also read: Linden, the biggest dark chocolate you’ve ever eaten. In order to strengthen the size effect, the ad was printed on a 297x420mm. glossy paper. In the verbal condition, participants listened to a 20 second long radio ad with a voice-over saying: Linden, the biggest dark chocolate you’ve ever eaten.

Following the ad, subjects in the no-repetition condition were asked to pick three words that best described their memory of the Linden package they previously examined. They were also asked about their attitude toward the Linden ad. In the repetition condition, however, subjects were exposed to the ad two more times, with five-minute distraction tasks in between. After exposure to the ad(s), participants were shown five Linden packages and were asked to identify the one they had previously examined. Of the five packages, one was a replica of the original sample used in the beginning of the experiment, while the other four differed in size (two of them bigger and two of them smaller than the original sample). After the identification task, subjects’ were asked to assess their memory of the package using Tulving’s Remember/Know/Guess measure, in which they indicated a ‘remember’ judgment if they were able to picture the original package in the mind’s eye, a ‘know’ judgment if their identification was based more on familiarity, and a ‘guess’ judgment if they didn’t have any recollection of the original package and randomly picked one of the choices. Finally, participants were asked to fill an ad skepticism questionnaire and were debriefed.

The participants in the control group weren’t exposed to any advertisements. They were shown the chocolate package, given the same filler questionnaires and asked to recall in their own words their experience with Linden packaging and to identify the package they had seen before.

Ordered logistic regression was used to analyze the results. A highly significant distortion effect for both ways
(subjects choosing both bigger and smaller packages) was observed. Involvement and ad skepticism were found to be important covariates. Visual advertisements caused more distortion and produced more “Remember” judgments than verbal advertisements. Although the major findings can be summed up as above, the analysis is not finalized yet; the study is still ongoing and more detailed findings are yet to come.
To Revive the Economy, Shrink the Dollar Bill!
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EXTENDED ABSTRACT
A medium is a neutral stimulus, a kind of proxy attribute, which has no value in and of itself (Hsee, Yu, Zhang, & Zhang*, 2003). According to psychological myopia theory, people focus on proxy attributes, medium, more than fundamental attributes (Keeney, 1994; Keeney & Raiffa, 1976). Fischer, Nirmala, Kathryn, and David (1987) found that decision makers did not spontaneously translate proxy attributes into fundamental attributes. They often gave more weight to the proxy attributes than warranted by expected utility theories. Vast literature on learning suggests that a medium can acquire a reinforcement value through association with a primary reinforcer and hence can change behaviors even after the primary reinforcer is removed (Boysen, Gary, Michelle, & John, 1996; Mazur, 1995). Hsee, Yu, Zhang, and Zhang*(2003) studied the medium as a token which people receive as the immediate reward of their effort. They found that medium can present an illusion of advantage, an illusion of certainty, or an illusion of linearity.

Past studies show that many attributes of medium can affect perceived value, thus affect consumers’ willingness to pay. For instance, the denomination of money affects the spending behavior. Consumers are likely to spend more when using smaller denominations of an equivalent amount of money (Raghurib & Srivastava, 2006). Raghubir (2006) postulates that shape, color and material also affect the perceived value. When estimating the size of coins and gray discs, subjects overestimate the size of coins, but tell the size of gray discs more accurately (Bruner & Goodman, 1947). And people will spend more when purchasing with credit cards which make the payment less vivid (Prelec & Loewenstein, 1998).

We propose that the size of coupon works as a medium in people’s perception of value of coupon and the coupon with bigger size will be perceived as more valuable. We conducted 3 current studies to test our theory. In study 1 subjects were assigned to 2 conditions (small size vs big size). We gave each student one page of questionnaire and told them it is a pretest of a big campus survey to study student’s social activities. Subjects were instructed to imagine they have enough coupons (as shown on the left, each equal to one dollar worth) and in several specific social friendly behavior scenarios, they were asked to answer how much they would like to pay in each scenario. The 2 conditions only differ in that the sizes of coupon printed on the left of the questionnaires were different. For half of the subjects the size of coupon was 1.5 as large as one dollar, and for the rest 0.5 as large. Latter we measured the average willingness to pay by the two groups and found that subjects with hypothetical larger coupons were significantly less willing to pay.

In Study2, subjects were assigned to 2 conditions (small size vs big size). Students were called to one classroom and told that it is an experimental economics auction study. Each subject was given 20 tokens to bid and told that the value of each token is equal to 1 dollar. The auctioneer shows the class one product, and then the subjects are asked to bid with the tokens and write down the price on a piece of paper. The person of highest bid will pay in dollar and take the product away. Then the process will repeat for the next product. Four products will be auctioned in total. (In fact the real price of each does not exceed 5 dollars.) The 2 conditions only differ in token sizes. In one group, subjects were given tokens as 1.5 large as the size of a dollar, and in the other as 0.5 large as the size of a dollar. Then we measure the average bid of the two groups across four products and found them significantly different. Subjects with larger tokens consistently bid lower.

In Study3, we test how much people are guided by the size of medium and how to they compare, we conducted study 3 to test the boundary. In this study, we used two kinds of coupons, 5 dollar worth and 10 dollar worth. Subjects were assigned to 3 conditions. The 3 conditions differ in that the sizes of coupon printed on the questionnaires were different. For group 1, the 10 dollar coupon was twice as large as the 5 dollar coupon; for group 3, the 5 dollar coupon was twice as large as the 10 dollar coupon; and for group 2, both the 10 dollar and 5 dollar coupons were the same size which is the average of coupons in group 1 or group 2. We gave each student a questionnaire and told them it is a pretest to price some new products to use for an online shopping study. On each questionnaire, several new products were listed along with brief descriptions and specifications, and 20 virtual coupons listed on the right for each product. In the 20 coupons, 10 were of 10 dollar worth each, the other 10 were of 5 dollar worth each. The subjects were requested to mark the amount of coupons they are willing to use for each product. They were also asked if they are familiar with those products or not to ensure the products we used have not a common recognized price range. Then we measure the average price given for each product by the three groups. The result is that large-sized 10 dollar coupon combined with a small-sized 5 dollar coupon is significantly less likely to be spent than a small-sized 10 dollar coupon combined with a large-sized 5 dollar coupon, or coupons with same size. (Size in accordance with the value does give a hint of value and cause subjects less willing to consume than other combinations of size and value. Furthermore, reverse of sizes and values does not distort subjects’ cognition of value more than same sizes.)

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Consumer Chasing Behavior- A New perspective of How Consumer Satisfaction/Dissatisfaction Influences Their Ultimate Loyalty to A Brand

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EXTENDED ABSTRACT
This paper conceptualizes a concept of Consumer Chasing Behavior, a consumption behavior widely observed in daily consumption activities. Consumers would sometimes act enthusiastically for some products or services even knowing that these products or services could not satisfy them in every aspect. In the field of consumer satisfaction, previous research has been focusing on the links between satisfaction and brand loyalty, discrepancies between expectation and satisfaction, and the connection between satisfaction and repurchase intention (Oliver, 1999; Rust and Oliver, 2000; Anderson and Sullivan, 1993). However, very few studies have integrated the whole process from the antecedents of satisfaction to the consequences of satisfaction and eventually to ultimate brand loyalty. This paper will discuss several proposed antecedents of Chasing Behavior, and examine the roles they play in the development of consumer’s ultimate loyalty. In this research, the antecedents of Chasing Behavior were divided into a pre-purchase stage and a post-purchase stage according to when the antecedent starts to activate during the process of purchasing.

This paper will also try to explore the logic behind the occurrence of Chasing Behavior. One of the reasons for Consumer Chasing Behavior could be emotion. Satisfaction is defined by some studies as an emotion reflection (Oliver et.al., 1997). Once customers experience a purchase causing positive emotions they will try to replicate such an experience. What cause the Chasing Behavior might be some obstacles, sometimes intentionally set by sellers. These obstacles lie in the middle between consumers’ intention or willingness of repeating positive emotion experiences and the outcome consumers would like to achieve. These obstacles are described as antecedents in this paper, leading to a limited level of a feeling of dissatisfaction. The Chasing Behavior would arise when consumers want to overcome these obstacles. As a consequence, Chasing Behavior reinforces consumers’ ultimate loyalty to a brand. Therefore, dissatisfaction does not always harm brand loyalty as previous studies have shown (Anderson and Sullivan, 1993). Chasing Behavior could be an indication of ‘lesser’ loyalty, which will be explained later. However, it is different from other ‘lesser’ loyalty behaviors referring to the emotion factors. Owing to these obstacles, consumers act more eagerly to purchase the product or service they want. Chasing Behavior triggered by obstacles shows not only loyalty, but also a higher desirability than other ‘lesser’ loyalty. With higher desirability, consumers behave more like chase than simply showing loyalty.

CONCEPTUALIZATION AND RESEARCH PROPOSITIONS

Pre-purchase Stage
IPad2 was issued on 11th March 2011 in US, and on 25th March it was started to be sold in over 25 countries. However, China has not been included in the initial country list, until on 6th May, two months later, IPad2 was finally issued in mainland China. However, the Financial Report of Apple showed that the delay of issue in China did not hurt Apple’s financial performance in China. On the contrary, the sales increased by 250% in mainland China. The other indication of scarcity and the Chasing Behavior is that there appeared a very long queue outside every Apple outlet in China. Because of the limited number of channels from which the mainland consumers could buy from other countries and regions, IPad2 became a very scarce product in mainland China and scalpers started to bid up the price of IPad2. All these situations should cause consumer dissatisfaction and negative feelings. Not only iPad2, but also other Apple products have experienced such issue delay in China. However, the enthusiasm of Apple products in China is strongly opposite to the intuition.

For instant, at the pre-purchase stage, scarcity is one of the factors which might cause dissatisfaction. The scarcity feature of these products dissatisfies consumers causing negative emotions. But in many cases such as iPhone or Nintendo Wii, a certain level of scarcity does cause consumer dissatisfaction on one hand but on the other it still stimulates the purchase demands. Many studies have shown that scarcity can largely enhance consumers’ desirability toward a product (Lynn, 1989; Verhallen and Robben, 1994). Moreover, Broker’s commodity theory (1968) claims that scarcity increases the perceived value of products. In many cases, scarcity is often associated with high price and is a symbol of higher status (Atlas and Snider 1978; Worchel et al. 1975). A good example is luxury products and limited edition products and collections (Bearden and Etzel 1982). Consumers have higher desirability to purchase rarer products than to purchase other products which can be easily accessed (Verhallen, 1982). Since scarcity is often an indication of good quality and high value, including symbolic value in some cases, it could raise consumers’ pre-purchase expectation (Verhallen and Robben, 1995; Stiff et al., 1975; Lynn, 1989). Higher pre-purchase expectation could motivate consumers to purchase. Therefore:

P1: Scarcity could cause higher pre-purchase expectation, which will directly lead to higher desirability of purchasing.

In addition, higher pre-purchase expectation caused by the scarcity could also elevate perceived evaluation. Lynn (1991) and Verhallen & Robben (1995) argue that higher expectation can increase the perceived evaluation since the consumer would have a positive attitude during the post-purchase evaluation. Anderson (1973) uses assimilation theory to explain this interaction. It is argued that consumers tend to adjust their post evaluation to be more consistent with their pre-consumption expectation. Studies also have suggested that consumers can tolerate a certain scope of dissatisfaction or uncertainty and ignore the gap between expectations and actual performance (Oliver, 2010; Anderson, 1973). This impact will occur only in a certain
scope, as the tolerance of consumers is limited. Higher perceived evaluation is a positive factor for consumers to step into the next cycle of purchase. Therefore:

**P2: Higher pre-purchase expectation will lead to higher perceived evaluation.**

In addition, scarcity could trigger Chasing Behavior not only through raising pre-purchase expectation, but also through directly increasing the perceived evaluation. Verhallen and Robben (1994) argued that scarcity makes the products more valuable and more costly, because consumers will have to bear more economic costs. Consumers may have to do more information research or make more efforts to get priority of purchasing. Here we take a pizza shop as an example, a pizza shop is very popular in the town, but the shop owner insists on opening only one shop. Although there is a long queue in front of the counter every day, consumers will have to wait in queue before they can buy pizza. Therefore, when evaluating the pizza, consumers will not only consider the price they paid for buying pizza, but also consider the efforts they devoted in queuing to access the priority of enjoying a piece of pizza. Moreover, Cardozo (1965) argued that consumers will be more satisfied with the product that they expended more efforts to obtain. Consequently, the consumers psychologically believe that the pizza is more precious and tastes better. As stated before, higher perceived evaluation could lead to the next cycle of purchase. Therefore:

**P3: Higher Perceived evaluation aroused by the scarcity itself will lead to higher desirability of repurchase.**

**Post-Purchase Stage**

Scarcity feature could be regarded as an unsatisfied factor, which was previously thought to be harmful to the brand’s loyalty. Our proposition and the case supported it puts these thoughts into question, and implies that sometimes dissatisfaction of customers could lead to satisfactory outcome for firms. This is also a basic logic of our argument regarding to the Variance of Disparity.

This proposed concept refers to the random change of the perceived cognitive disparity between pre-purchase expectation and post-purchase evaluation. This paradigm of random change indicates fluctuation of the perceived quality evaluation referring to the ‘delights’ part of a product’s value (Rust and Oliver, 2000). One example illustrating this is, if a restaurant deliberately varies taste of its complementary desserts every day in a random way, the owner would surprisingly discover that customers visit his restaurant each day to have a try of today’s complementary dessert. The element of surprise increases excitement between customers and then influences them to come to the restaurant. It is like a lottery and it is somehow addictive, although how addictive it is might be debatable. If the post-purchasing evaluation of the delights part of product features is below the pre-purchasing expectation, consumers would be tempted to have the next cycle of purchasing. However, how often this situation will happen should be discussed further.

Variance of Disparity is most likely to occur in post-purchase evaluation stage, and also matters as a motivation for repurchase intention. Studies on consumer satisfaction have revealed that the pre-purchase expectation is an important aspect for post-purchase evaluation (Anderson, 1978; Oliver, 1997; Oliver, 1999). In most cases, the expectation will not match up exactly with the perceived evaluation. Consequently either positive disconfirmation or negative disconfirmation occurs (Blythe, 2008). In some literature, the word ‘disparity’ refers to the same meaning as the ‘disconfirmation’ referring to the difference between expectation and perceived evaluation (Cardozo, 1965; Anderson, 1973). Preceding research viewed the product’s value as a whole, indivisible concept, and argued that the satisfaction would be harmed by negative disparity. Such harm is noticeably larger than the benefit gained from positive disparity (Anderson and Sullivan, 1993).

However, the product’s value should be considered as divisible when evaluating the satisfaction level. Keeping a reliable overall quality in product’s development does not necessarily mean that the quality of every aspect of a new product should be tightly maintained on a strict level. In fact, in many cases, the newly-issued product would be in some aspects less desirable than the previous one, although it has a significant improvement in overall performance. Some Scholars used ‘bull’s-eye’ to explain the different dimensions of product features (Rust and Oliver, 2000; Clemmer, 1990; Levitt, 1983). They divided the features into three rings: musts, satisfiers, and delights. According to their conceptions, musts refer to the basic function of a product, satisfactions are the ‘embellishments to the basic product’, and the delights are features ‘unexpected and surprisingly enjoyable’ (Rust and Oliver, 2000). The Variance of Disparity concept mainly refers to the delights part of product features.

In previous studies that fluctuated quality would decrease satisfaction and the firm’s reputation. These studies did not consider that the product features are divideable, and quality fluctuation of different product dimensions may not only point to the same outcome. As the musts and satisfier part of product features remain unchanged, perceived evaluation of quality fluctuation in the delights part would be the direct reason of variance of satisfaction level. However, because the delights is not the central value propositions of a product and service, this variance is limited in scale. Since consumers have a tolerance and a certain level of dissatisfaction according to research of Oliver and Anderson, the evaluation fluctuation of the delight elements would have little possibility to lead to the switching of products or harming of firms’ reputation in the short run, instead it would lead to a better sales performance indicated by Chasing Behavior in the long run. It is opposite to the generally accepted marketing practice that always providing highly satisfactory products is the goal of firms, which is sometimes recognized as part of Marketing Concept (Webster, 1991; Houston, 1986). Therefore:

**P4: Fluctuated evaluation of delights part of a product’s value would lead to limited variance of satisfaction level.**

The concept of Variance of Disparity comes from a phenomenon which was earlier observed from an example of a restaurant. This restaurant serves a formal meal with gift dessert, which could be regarded as delights part of a whole meal. Customers having dinner in this restaurant on Monday surprisingly received an additional plate of dessert which tasted very good. On Tuesday, the customer came back received an additional plate of dessert which tasted bad. Two days later, however, the same customer came back enjoyed an additional plate of dessert which was good again. The customer would soon found out the random quality
fluctuation of the additional plate of dessert. Whatever the quality of this additional plate is, the quality of the formal meal will not be affected. By receiving an awful plate of dessert, people will feel unsatisfied, but not too unsatisfied to trigger abandoning or switching of products. The expectation raised by previous tasteful plate of dessert is now faced by an unexpected bad perceived evaluation. However, it causes a stronger desirability for a satisfactory experience which leads to a next try. In addition, the surprise feeling perceived in the next dinner will be stronger than the one under the situation that the gift dessert tastes always good. Previous studies have demonstrated that firms would continually raise consumers’ expectation by always satisfying customers, thus would increase costs and would risk the brand, because it is more difficult to reach the higher expectation standard of customers (Rust and Oliver, 2000). Validations of the existence of the Chasing Behavior would offer a solution to this dilemma. As we proposed:

P5: Variance of satisfaction level regarding to the delights part of a product’s value will cause higher desirability of repurchase leading to a Chasing Behavior.

CONCLUSION AND POTENTIAL CONTRIBUTIONS

The Chasing Behavior implies that irrational behavior of customers chasing after unsatisfactory products can be not only a manifestation of ultimate loyalty, but also one controllable pre-stage of ultimate loyalty. In this paper, we built up the concept of Chasing Behavior on several propositions. Study on these propositions will link the gap between the previous fractional researches on consumer satisfaction. It provides a theoretical support for the common phenomenon of consumer chasing for a product. Verifying of these propositions would be a good direction for further research to finally confirm the existence of Chasing Behavior. Based on this, a managerial implication is possible. It to some extent challenges the general marketing practice and Marketing Concept in a constructive way. The discussion for the implication of Chasing Behavior and the influences of such implication is open.

REFERENCES

Doers Conform, Perceivers Counteract: The Effect of Synchrony on Uniqueness Seeking
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EXTENDED ABSTRACT
In our daily life, we come across synchronous activities (e.g., chorus, dancing, marching, and so on) very often. Given the ubiquity of these behaviors, it is surprising that little is known in the existing literature how it affects subsequent behavior. In this paper we try to answer the following questions: 1) how does interpersonal synchrony with others affect subsequent uniqueness seeking behavior? 2) Is the effect the same for doers and perceivers of the synchronous behavior? In answering these questions, we also try to understand the processes underlying these behaviors.

Synchronized behaviors refer to behaviors or actions that are matched in time (Hove and Risen, 2009). Acting in synchrony with others requires individuals to surrender self-centeredness and fit into group norm, which in fact imposes a pressure towards people’s behavioral freedom. Thus, after engaging in synchronized behavior, a reactance may occur (Brehm 1966; Brehm and Brehm 1981), which leads to greater uniqueness seeking (i.e., the opposite of conformity). Similarly, watching a group of people’s synchrony behavior may also elicit a feeling of “forced uniformity” from the observers’ perspective. We thus predict the same effect for the perceivers. On the other hand, synchrony has been shown to enhance group cohesion and subsequently strengthens social attachment, fosters cooperation within groups (Haidt 2007; Wiltermuth and Heath 2009; Hove and Risen 2009). As a consequence, those who engage in synchronous behavior would be more likely to conform.

These two forces thus make opposite predictions regarding the effect of synchrony on subsequent preferences. For the doers who engage in interpersonal synchrony, the two forces jointly affect their preferences. We predict that the force that leads to conformity would be stronger and thus dominate the opposite force (i.e., the reactance). Thus, doers would be less uniqueness seeking after engaging in synchronous behavior than after engaging in non-synchronous behavior. The situation is quite different for the perceivers. Perceivers also experience a sense of threat after seeing synchrony, but they do not engage in any action that could increase conformity. That is, for them the psychological reactance would still persist but the action induced conformity would be absent. Thus, perceivers would be more uniqueness seeking after seeing synchronous behavior than after seeing non-synchronous behavior. Furthermore, when the synchronous behavior is perceived to be a result of forced choice rather than free choice, the levels of psychological reactance should be higher. Thus, after forced (versus freely chosen) synchronous behavior, people’s preference for uniqueness would be stronger as a consequence of stronger psychological reactance.

Two studies were conducted to test the predictions and the underlying mechanism that governs the different synchrony effect for doers and perceivers. Study 1 was a 2 (synchrony: synchrony vs. non-synchrony) x 2 (role: doer vs. perceiver) between-subjects design. Undergraduate students from a major Hong Kong university were recruited to participate in the experiment. The students participated in the study in a group of 10-12 people. Participants in each group were randomly assigned to be either doers or perceivers. Doers were instructed to do some exercises and perceivers simply observe the doers’ behavior. The groups were randomly decided to be either synchrony group or non-synchrony group. In the synchrony group, all the doers were instructed to do the exercise synchronously; whereas in the non-synchrony group, all the doers were instructed to do the same exercise, but they were not instructed to do them synchronously. After this task, participants moved to a second task, in which they were asked to make several choices of different product categories. In each choice, they were presented with three brands, each with different market share. For example, in a typical choice, option (A) was preferred by around 65% of people, option (B) was preferred by around 25% of people, and option (C) was owned by around 10% of people. Participants’ choice were coded as 1, 2, or 3 depending on which option they chose (1 = brand with highest market share; 3 = brand with lowest market share). The sum of these numbers formed a uniqueness seeking index (the higher the score, the higher is the uniqueness seeking motivation). The results confirmed our prediction. Perceivers were more uniqueness seeking under synchrony condition than under non-synchrony condition. Conversely, doers were less uniqueness seeking under synchrony condition than under non-synchrony condition.

Study 2 manipulated the perceived freedom of choices of the doers acting in synchrony with each other to detect the source of “synchrony reactance”. The study adopted a 2 (role: doer vs. perceiver) x 2 (choice freedom: forced choice vs. free choice) full factorial design. Similar to study 1, the students participated in the study in a group of 10-12 persons and were randomly assigned to be perceivers or doers. In this study all the doers were instructed to do the exercise synchronously. The doers were randomly assigned to the forced or free choice conditions. In the forced choice condition, participants were required to do the exercise synchronously. In the free choice condition, the participants were asked to choose from two tasks: the synchrony task, or an essay writing task in which they were asked to write an essay of about 500 words on “The Individual and the Cosmos in Renaissance Philosophy.” All the participants in the free choice condition actually chose to do the synchrony task (which is identical to the one in the forced choice condition). Perceivers were either instructed that the doers were required to do the synchrony task, or that the doers chose to do the synchrony task. The measure of uniqueness seeking was identical to that in study 1. Again, the results were consistent with our prediction. First, perceivers showed stronger preference for unique options than doers. Second, those in the forced choice condition demonstrated stronger preference for uniqueness than those in the free choice condition – this conclusion was true for both doers and perceivers. These results suggest that reactance due to threat to behavioral freedom was the process underlying such effects.
REFERENCES

Food Blogs and Consumer Culture
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EXTENDED ABSTRACT

Food consumption plays an important role in the construction and expression of ethnic, class, and gender identities, and constitutes a key part of the larger cultural configuration (Wilson 2005). As a social mechanism, food and drink rituals structure the symbolic world (Douglas 1987) and mark social class boundaries (Bourdieu 1984). Whereas appearing ostensibly democratic and omnivorous, contemporary food discourses are perpetuating material and symbolic inequalities in more nuanced and complex ways (Johnston and Baumann 2010). In this working paper, we seek to understand how food blogs manufacture, perpetuate and contest social distinctions and the ways in which bloggers perform these distinctions.

Our methodology incorporates in-depth interviews with bloggers as well as narrative analysis of the blogs they have produced. Our data analysis is dramaturgical (Goffman 1959). We are interested in how food is presented, discussed and understood in personal blogs. Furthermore we would like to inquire about the sociocultural frames through which the consumption of food is performed in front of a real or imagined audience. We compare blog contents (front stage) presented to the blog’s audience with the blogging experiences (back stage) that the blogger shared with us during depth-interviews. Our preliminary findings are threefold: 1) blogging has democratizing effects on how food discourses are constructed and distributed; 2) by blurring the boundaries of private and public space, blogging has changed the ways in which private consumption of food is performed by consumers; 3) blogging plays an important role in reshaping consumer tastes and lifestyles.

Firstly, food blogs have changed how food discourses are constructed in contemporary society. Historically, legitimate narratives on food were made through centralized cultural authorities such as TV shows, magazines, cookbooks, and chefs’ memoirs. Writings of food have helped to cultivate desire for gourmet cuisine, especially since 1960s, when middle-class American families were introduced to gourmet cuisine through the critical culinary reviews in elite publications such as the New York Times (Kamp 2006). This was followed by Zagat that rose as a status marker in the 70s (Johnston and Baumann 2010) and 1980s Yuppie conspicuousness (Binkley 2007). As Johnston and Baumann (2010) suggest, the rise of “ethnic” food in the 90s has created an ostensible democratization to the foodie culture. Yet, discourses of exoticism, authenticity locavorism, and other forms of politicized consumption have created new and subtler avenues of manufacturing social distinctions. Among all power structures that have manufactured these discourses, a new force has emerged with the rise of social media: ordinary consumers joined the elite food writers to critically and passionately blog about the food they make and eat. We examine how blogging spreads and shapes food culture on a global scale and alters the discourse on food.

Secondly, the rise of blogging has changed the way in which food consumption is socially performed. Food is not only consumed and shared locally and privately, but this act is digitally performed and (re)presented to a global audience through personal blogs. Historically, foods are often coded with social hierarchy and infused with cultural meanings (Freedman 2007). For example, spices such as pepper, ginger, and saffron were highly valued luxuries for over a thousand years and were utilized in conspicuous consumption (Freedman 2008). Such gastronomic stratification helped to maintain social boundaries and constitute a system of social differentiation (Bourdieu 1984). Historically social prestige was conferred by the quantity, variety and the rarity of food. However, this distinction was established within a fixed physical space, through material interaction. We suggest that blogging has changed the boundaries of social space by enabling social actors to perform practices of distinction through virtualized and imagined spaces.

Lastly, the aforementioned democratization of narrative making is also matched by a hyper flow of information through which the development, spread, and adoption of new tastes are accelerated. Novelty seeking in food consumption has always served formation of identities, sublimation, aspiration, cultural snobbery, or providing a medium to reduce cultural anxiety and frustration (Scholliers 2007). Our study suggests that consumers actively produce and consume blog narratives for transformative, therapeutic and mobilizing “new” culinary experiences that shift their embodied relationships with food. At the same time, they are constrained and subordinated by idealized standards of aesthetics that are pressured upon them and strive for new ways to conspicuously perform beyond their class habitus. We conclude our study with a discussion on how food blogs have shaped the way in which tastes are cultivated.

REFERENCES

Consumer Financial Delinquency over Life Cycle Stages  
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EXTENDED ABSTRACT  

PURPOSE AND SIGNIFICANCE  
This study aims to examine consumer financial delinquency risk over life cycle stages. Financial delinquency refers to late debt payment behavior, which would immediately result in lower credit scores that jeopardize opportunities to receive future consumer credit and adversely affect consumer financial well-being. More importantly, mass financial delinquency may affect the economy at the macro level. Uncontrollable consumer debt was considered as one major reason that caused the recent great recession in the U.S. (Lander, 2008). Financial deregulations started in early 1980s resulted in many financial innovations that provided more credit alternatives for consumers and also demanded higher level of knowledge and skills to manage debts (Ryan, Trumbull, & Tufano, 2010). Despite the advantages of consumer credits, broader access to consumer credit in the last two decades mainly hurt consumer financial well-being (Dylan, 2009). This study empirically estimates probabilities of financial delinquency risk among consumers at various life cycle stages. Findings of this study would increase understanding of consumer financial delinquent behavior and provide helpful information for policy makers and business professionals to better meet consumer needs.

UNIQUENESS  
Previous research on consumer financial delinquency focused on the effects of income shock, marital status, and other demographic variables (e.g. Getter, 2003; Lyons & Fisher, 2006). Based on previous research, this study furthers understanding of consumer delinquent behavior in several aspects. First, this study focused on financial delinquent behaviors over life cycle stages and used an innovative definition of life cycle stages as a composite variable. Also, the life cycle stage variable used in this study was adapted from one used by Du and Kamakura (2006). The life cycle stage variable has been used in consumer behavior research mainly in explaining consumer expenditures (e.g. Wilkes, 1995). Various researchers defined the variable in different ways (for an evaluation, see Schaninger & Danko, 1993). Du and Kamakura (2006) applied the first order Markov process to data of the Panel Studies on Income Dynamics across 34 years and empirically estimated life cycle stages in the U.S. The definition of life cycle stage used in this study was based on their findings with adjustments. Moreover, this study combined six datasets of the U.S. Survey of Consumer Finances from 1992 to 2007 to study the consumer financial delinquency that is more comprehensive in data and time scopes compared to prior research.

THEORETICAL CONSIDERATIONS  
The life cycle hypothesis is used as a general framework for this research. Consumers strive to smooth their consumption by making intertemporal choices to maximize their life cycle utility (Modigliani & Brumberg, 1954). In doing so, they need to overcome their credit constraints especially when they are young (Attanasio & Weber, 2010). Given resource levels, we expect that younger households would be more likely to be credit constrained than their middle-aged and old counterparts; as such, they may have higher probabilities to experience financial difficulties that can lead to financial delinquency. Similarly, a household with children would have a greater chance to engage in financial delinquency behaviors than a childless household.

METHOD  
Data used in this study was from 1992, 1995, 1998, 2001, 2004, and 2007 Surveys of Consumer Finances, which has a combined sample size of 25,889. The triennial survey is sponsored by the Federal Reserve Board and has comprehensive information about family finances. Financial delinquency was measured by being 60 or more days late in debt payment (Bucks et al. 2009). Life cycle stages were defined by household head’s age, marital status, presence and age of children, which were adapted from Du and Kamakura (2006). The weighted sample was used in bivariate chi-square tests and the unweighted sample was used in multivariate logistic analyses with control variables. Financial delinquency was the dependent variable and control variables included survey year, education, race, employment status, health, home ownership, holdings of five types of debts, income, financial asset, income shock, and if receiving public assistance. All five implicates provided by the datasets were combined into a single dataset for analysis and the repeated-imputation inference method (Kennickell, 1998) was used to obtain the coefficients, standard deviations, and log odds.

FINDINGS  
On average, 5.6% of the respondents were in financial delinquency. Nine life cycle groups had higher than average risk of delinquency, which are, in the order from high to low, young couples with children over 6 (14.9%), young singles with children over 6 (14.1%) and with children under 7 (12.5%), middle-aged singles with children over 14 (10.8%) and with children under 15 (10.4%), young couples with children under 7 (8.3%), young singles with no children (7.5%), middle-aged couples with children under 15 (6.1%), and middle-aged singles with no children (5.8%).

Logistic analyses showed that compared with young couples without children, seven life cycle stage groups had higher risk of financial delinquency. These life cycle stages are, in the order from high to low odds ratios (OR), young couples with children over 6 (OR=3.589), middle-aged singles with children over 14 (2.077), young singles with children over 6 (2.010), middle-aged singles with children under 15 (1.863), middle-aged couples with children under 15 (1.834), young couples with children under 7 (1.793), and middle-aged singles without children (1.563). Several control variables also showed effects on financial delinquency.

DISCUSSION  
The findings indicated that younger households are more financially distressed than their older counterparts. The three
old groups are obviously less likely to be financially delinquent based on both bivariate and multivariate results. However, the middle-aged groups are not less likely than their younger counterparts to be financially delinquent. Four middle-aged groups are more likely than average to be financial delinquent based on bivariate analyses. Four middle-aged groups are more likely than young couples without children to be late in debt payment.

Presence of children seems to be another important factor contributing to financial delinquency. Seven of nine groups with higher than average risk of delinquency in bivariate analysis had children in the household. Six out of seven groups in logistics analyses that have higher risk than young couples without children are those with children.

REFERENCES
Counterfeit Consumption: The Role of Consumers’ Perceived Likelihood of Counterfeit-Detection by Important Others

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EXTENDED ABSTRACT
As more and more consumers are knowingly and overtly purchasing counterfeits—especially in the luxury goods markets (Nia and Zaichkowsky 2000)—branded-goods manufacturers must discourage consumers from purchasing and using counterfeits (Wee et al. 1995). To achieve this end, this research introduces a new construct: consumers’ perceived likelihood of counterfeit-detection by important others (PLCD). The research also examines PLCD’s role in the context of deliberate counterfeit consumption.

With the aim of developing a strong and parsimonious model, we propose that PLCD emerges and should be treated as an important and unique construct in the context of deliberate counterfeit consumption. The PLCD construct’s integrative function derives from its primary antecedents, such as consumption situation of counterfeits, a counterfeit item’s product characteristics, perceived product quality of counterfeits, and important others’ ability to detect the counterfeits. Although having directly or indirectly identified some of these primary antecedents, past studies (for details, see review papers by Eisend and Schuchert-Güler 2006; and Staake, Thiesse, and Fleisch 2009) are mostly exploratory in nature, and more importantly, the relationships among these factors and the mechanisms driving deliberate counterfeit consumption have not been focused on. Separately, these antecedents may be perceived and interpreted differently by different consumers. Together, through counterfeit-brand consumers’ perceptions and the perceptions’ meanings to these consumers, these antecedents are reconciled and transformed into the proposed construct, to perform an integrative function, such as influencing consumers’ action intentions (or behavioral intentions, a term used in the theory of planned behavior).

A great body of research based on the theory of planned behavior suggests that attitudes, subjective norms, and perceived behavioral control influence decision making (Ajzen 1991). The theory of planned behavior proposes that actions are a direct function of behavioral intention (i.e., action intention from the perspective of goal-directed behavior) and perceived behavioral control; and indirect functions (through behavioral intention) of attitudes, subjective norms, and perceived behavioral control.

Specifically, we focus on and propose two hypotheses relating to the following three constructs: PLCD, action intentions, and subjective norms. First, in hypothesis 1 we propose that PLCD directly and negatively influences action intentions. PLCD reflects a counterfeit-brand consumer’s sense of control over performing the chosen actions. It also contains aspects of self-regulation, as this proposed construct deliberately addresses the question, “How shall I act?” in the context of counterfeit consumption. Furthermore, because consumers considering counterfeits consciously acknowledge important others’ ability to detect their counterfeits, the construct of PLCD can serve as a motivator or inhibitor to act. Therefore, it can directly influence action intentions, without action desire as a mediator (for details regarding the role of action desire, see Bagozzi, Dholakia, and Basuroy 2003).

Second, in hypothesis 2 we propose that subjective norms moderate the relationship between PLCD and action intentions. The more favorable the subjective norms are, the weaker the relation between PLCD and action intentions; the less favorable the subjective norms are, the stronger the relation between PLCD and action intentions.

Our research uses a combination of qualitative and quantitative methods consisting of in-depth interviews, followed by a self-administered questionnaire to investigate the role of PLCD. The purpose of the interviews is to develop items for measuring the proposed construct, PLCD; in a semi-structured manner, we have conducted eight in-depth interviews among five college students and three consumer behavior researchers.

Next we have developed, will pretest, and will conduct a self-administered paper questionnaire. Direct measures of attitudes, subjective norms, and perceived behavioral control are adapted from past literature (e.g., Ajzen 1991; Bagozzi, Dholakia, and Basuroy 2003). The scale for PLCD, developed from the in-depth interviews, consists of six items, such as “Important others around me can detect when I’m wearing a counterfeit product,” “Important others around me will not be able to recognize when I’m wearing a counterfeit product,” and “I myself can detect when important others around me are wearing counterfeits.” The finalized questionnaire in the Chinese version will then be distributed among students of four universities in Beijing, China.

After data collection, items measuring each construct will be subjected to a confirmatory factor analysis. The study will evaluate both discriminant validity and convergent validity before testing the hypotheses. The study will also test and compare its proposed model to the theory of planned behavior.

This research advances our understanding of the underlying dynamics that drive consumers’ deliberate counterfeit-consumption behavior via particularly investigating the role of the proposed construct, PLCD, and comparing the research’s proposed model with the theory of planned behavior. It theoretically extends the theory of planned behavior (1) by identifying an important construct (i.e., PLCD) and PLCD’s corresponding mediating and moderating relationships with other constructs, and (2) via connecting self-regulation to deliberate counterfeit-consumption behavior. Results of this research will provide a clearer understanding of the role of PLCD underlying consumers’ deliberate counterfeit-consumption behavior. Our initial and future results will aid in the development of effective strategies to decrease consumer consumption of counterfeits.
REFERENCES


Simply Inequitable or Exploitative too? Exploitation, Self-Threats and Perceptions of Fairness in Marketplace Exchanges
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EXTENDED ABSTRACT

Attributions of responsibility have been shown to be important to fairness judgments. Some research actually explicitly argues that unfairness requires responsibility and that “if no one is to blame, there is no social injustice” (Folger and Cropanzano 2001, p. 1). Much of the fairness research in marketing implies the same. Campbell (1999), for example, suggested that unfairness requires that the seller be perceived as being motivated to take advantage of the consumer, which implies some degree of seller responsibility. Similarly, Vaidyanathan and Aggarwal (2003) showed that a price increase was considered more unfair when the firm (vs. a third party) was responsible for the increase. Consistent across this research is the assumption that unfairness or injustice requires blame. This assumption, however, lies in contradiction to certain dominant models of fairness. For instance, equity theory suggests that unfairness results when the consumers receive less than what they deserve (e.g., pay a higher price than they deserve to pay) (Adams 1965). It makes no requirement that the exchange partner be responsible for the deservingsness violation for unfairness to result.

The current work seeks to resolve this tension by investigating whether responsibility is integral to fairness judgments, and, if it is not, the nature of the relationship between responsibility and fairness. We argue that unfairness can exist in the absence of perceived responsibility—something that has not been explicitly tested in the literature. Specifically, in the context of price comparisons between two consumers, we predict that paying a higher price than another consumer will be perceived as more unfair than paying the same price regardless of whether the inequity is exploitative or not. The logic behind this prediction, consistent with equity theory, is that, regardless of the seller’s intentions, the consumer pays more than they deserve relative to the other consumer. We do argue, however, that responsibility will exacerbate unfairness and suggest that this is due to perceptions of exploitation, where exploitation refers to when a seller advances their own self-interests by deliberately charging the consumer more than they deserve to pay. We argue that exploitative actions taken by the seller suggest that they do not think highly of the consumer, which represents a self-threat to the consumer. We predict that it is the self-threat introduced by exploitation that exacerbates perceived unfairness. We test these ideas in Study 1 by distinguishing between exploitative and non-exploitative unfair situations and comparing them to fair situations.

STUDY 1

Study 1 (n=70) was a three-level, scenario-based, between-subjects experiment with student subjects who participated in exchange for course credit. It was designed to capture the distinctions between equitable (i.e., both consumers pay the same price), non-exploitative inequitable (i.e., the seller mistakenly charges different prices such that the other consumer pays less) and exploitative inequitable (i.e., the seller deliberately charges different prices to advance their own interests such that the other consumer pays less) situations.

The results supported our predictions. There was a main effect of the experimental manipulation (F(1, 78) = 65.64, p< .01). Follow-up analyses indicated that an inequitable but non-exploitative situation was less fair than an equitable situation (Ms = 4.52 vs. 6.08; F(1,78) = 22.03, p< .01), but fairer than an inequitable and exploitative situation (Ms = 4.52 vs. 2.20; F(1, 78) = 48.32, p < .01). Within the inequitable conditions, a Sobel test of the indirect path from exploitation to fairness via perceived self-threat was significant (z= 2.54, p< .05), consistent with the predicted mediation.

The results from Study 1 suggest that consumers may perceive a situation as relatively unfair even in the absence of exploitation. Further, as expected, Study 1 indicated that one of the reasons exploitation exacerbates unfairness perceptions is that it introduces a threat to the self. We examine these relationships further in Study 2. Specifically, we manipulate an aspect of the exchange that is expected to reduce perceived self-threat in exploitative situations. This enables us to examine the proposed process, whereby exploitation exacerbates perceived unfairness through its influence on self-threat.

STUDY 2

In an exchange situation where there is a high risk of exploitation (e.g., low supply, high need), we expect consumers to feel threatened, in part, because they feel that the seller is in control of the exchange. Previous research, however, suggests that the act of choosing, whether it can or cannot influence the outcome of a given event, offers the illusion of control (Botti, Orfali and Iyengar 2009; Langer 1975). Based on this research, we anticipate that when consumers actively choose to engage in exchange despite acknowledging a high risk of exploitation they will feel more in control of and so less threatened by an exploitative exchange. As a result of the reduced self-threat, we predict that they will subsequently perceive the situation as less unfair.

Study 2 (n=120 students) consisted of a 2 (Exploitative: yes, no) x 2(Choice: yes, no) between-subjects experimental design. We also included a control condition where both consumers paid the same price for the product. In the Exploitative conditions, as in Study 1, we manipulated whether the consumer was deliberately or unintentionally overcharged for the product. In the Choice conditions we varied whether the consumer actively chose to engage in the exchange despite acknowledging the risk of being exploited by the seller. Notably, in all conditions the risk of exploitation was relatively high in that subjects were told that they had a tight timeframe during which they needed to purchase the product.

A preliminary analysis, whereby we compared the appropriate non-exploitative condition to the appropriate
exploitative condition and the control conditions, respectively, were consistent with our previous results ($M$s=4.524 vs. 2.20; $F(1, 52)=40.775, p<0.001; M$s=4.52 vs. 6.08; $F(1,53)=20.36, p<0.001). This replication provides additional support for the idea that unfairness does not necessarily entail exploitation but rather that exploitation exacerbates unfairness. The primary analysis, a 2x2 ANOVA showed the predicted interaction ($F(1, 107) = 3.92, p< .05$). Follow-up analyses showed that in the exploitative condition, consumers perceived the situation as significantly less unfair and less self-threatening when they actively chose to engage in the exchange despite acknowledging the risk of being exploited by the seller ($M$s=3.44 vs. 2.20 and $M$s=4.71 vs. 3.61, $F$s(1,107)=12.19 and 6.34 and $p$s <.01 and <.05: note that in the lower numbers indicate more unfair and more self-threatening). In contrast, in the non-exploitative condition, there was no effect of Choice on perceived fairness or perceived self-threat ($F<1$). As expected, when participants were exploited, a Sobel test of the indirect path from choice to fairness via perceived self-threat was significant ($z= 2.18, p< .05$). The results of this analysis are consistent with the prediction that choosing to engage in an exchange despite knowing the risk of exploitation mitigates the self-threat presented by exploitation and subsequently attenuates perceptions of unfairness.

**GENERAL DISCUSSION**

The current work represents an initial attempt to understand the relationship between fairness and exploitation. We find support for the idea that unfairness does not necessarily entail exploitation but rather exploitation exacerbates perceived unfairness because it is self-threatening. We also find initial support for the idea that exchange elements that offer the consumer a sense of agency over the situation may reduce perceived unfairness by attenuating the self-threat presented by exploitation. Additional research is needed to understand which aspects of the self are threatened by exploitation. More generally, given that self-threats exacerbate perceived unfairness, we also need a clearer understanding of which elements of exchanges present a self-threat to the consumer and their subsequent influence on fairness judgments.

**REFERENCES**


SPECIAL SESSION SUMMARY
Please Stay on the Line: Waiting Experiences and Their Effects on Consumer Behavior
Chair: Yuwei Jiang, Hong Kong Polytechnic University
Discussion Leader: Anirban Mukhopadhyay, HKUST

SUMMARY
Waiting is a negative experience (Taylor 1994). After a long period of waiting, consumers feel boredom, irritation, anxiety, tension, helplessness, and sometimes even humiliation (Carmon, Shanthikumar, and Carmon 1995; Katz, Larson, and Larson 1991; Osuna 1985). Waiting has long been regarded as an important topic in both psychology and marketing (Osuna 1985). Research has shown that consumers’ waiting experiences can influence their emotions (Carmon et al. 1995; Miller, Kahn, and Luce 2008), service evaluations (Hui and Tse 1996; Hui, Thakor, and Gill 1998; Taylor 1994), consumption enjoyment (Chan and Mukhopadhyay 2010; Loewenstein 1987; Mandel and Nowlis 2008; Nowlis, Mandel, and McCabe 2004) and decision making (Leclerc, Schmitt, and Dube 1995; Soman 2001; Zhou and Soman 2003).

Echoing the growing interest in consumer research for waiting, this special session examines various factors influencing consumers’ experience during and after waiting. As outlined below, three papers included in this special session investigates both consumer behaviors in the process of waiting for a product/service, and consequences after the waiting.

The first paper, by Wang, Hong, and Zhou, shows the effect of construal level on waiting time estimation. In three experiments, the authors show that low-level construals lead to shorter waiting time-estimation than high-level construals. However, the effects are reversed when people use the number of thoughts during waiting as a heuristic to estimate time (i.e., when they are asked to list their thoughts before time estimation or when they are told beforehand that they would be asked to estimate waiting time).

The second paper, by Zhao, Lee, and Soman, suggests that the psychological effects of the procession to a service during waiting are often marked by a discontinuity. In particular, the author show that incidental cues in the waiting environment can serve as a virtual boundary of the service system and signal the perceived start of the service experience. Once this boundary is crossed, people adopt an in-system mindset that leads to greater task commitment which is associated with increased optimism and action orientation. The singularity criterion and the non-habituation criterion are demonstrated as two key criteria for this effect to hold.

The third paper, by Jiang and Mukhopadhyay, investigates the effect of waiting for service on subsequent consumption and spending. The authors find, in contradiction to consumers’ lay beliefs, that the longer consumers had to wait before their consumption, the more they consumed and the more money they spent. This effect was observed only for products that the consumer was intrinsically motivated towards, and was not caused by signaling, inferences about quality, or value from queuing. It was mediated by the level of psychological cost, and could be eliminated if consumers were compensated from other sources before consumption.

We believe that this session will be of much interest to researchers investigating issues involving waiting and consumer behavior. The range of topics covered in this session may also draw attention from researchers exploring issues related to service encounter, store environment, retailing promotion methods, and wait management. Moreover, given the potentially fruitful line of theory development, we also believe that the presentations will attract interest from a broader ACR audience.
How Long Have I Waited? The Influence of Construal Level on Waiting Time Judgment

Jiewen Hong, Hong Kong University of Science and Technology
Rongrong Zhou, Hong Kong University of Science and Technology

EXTENDED ABSTRACT

Waiting is a ubiquitous phenomenon in modern society. People wait for various kinds of products and services and the perceived waiting duration is a strong determinant of overall satisfaction with the service and customer loyalty (Taylor 1994; Hui and Tse 1996). Yet people are not very good at estimating time intervals and elapsed duration. Despite being objectively measurable through clock time, it is a relatively subjective experience (Levine 1997). Thus, understanding the factors that influence people’s perception of time duration has important implications. In this research, we examine how individuals’ construal level, the level of abstraction or concreteness in thinking, affects consumers’ perception of waiting time.

According to construal level theory (Trope et al. 2007), individuals can think and represent information either at a concrete, low-level or at an abstract, high-level. Low level construals consist of concrete, contextual and incidental details whereas high level construals consist of general, decontextualized information that conveys the gist of the event or situation. For example, for consumers with low-level construals, buying a digital camera means searching for information from various sources, making a decision on a retailer, a brand of camera, and finally purchasing it. However, for consumers with high-level construals, it means getting equipment that captures precious moments and improving the quality of life. We argue that consumers’ perception of waiting time could vary as a function of their construal level. In particular, we hypothesize that since low-level construals lead to thinking in a more detailed and contextualized manner, people who think at a low level are likely to have more distinct thoughts than those with high-level construals, and thus are more mentally occupied during the wait. Since duration judgments rely to a great extent on people’s subjective experience in waiting (Levine 1997), occupied wait is usually less boring and therefore perceived shorter in duration than unoccupied wait (Maister 1985). As a result, people with low-level construals may perceive the wait to be shorter than those with high-level construals.

We also hypothesize that there are boundary conditions for this effect. Although people making duration judgments usually rely on their subjective experience in waiting, there are times they may apply heuristics to infer elapsed time and one such heuristic may be numerosity. Past research has shown that people might be sensitive to numerosity as a cue for judging quantity or probability (Wertenbroch, Soman and Chattopadhyay 2007). That is, people sometimes judge amount or likelihood on the basis of the number of units into which a stimulus is divided without fully considering other important variables. Therefore, we argue that when people rely on numerosity to infer elapsed time, the reversed effect would occur: because low-level construals generate more distinct thoughts, those with low-level construals would perceive the waiting time to be longer than those with high-level construals.

We tested these predictions in three experiments. In experiment 1, participants were first primed with either high- or low-level construals using a category/exemplar generation task (Fujita et al. 2006). Specifically, we gave all participants a list of twelve nouns (e.g., dog). Participants in the high-level construal condition were asked to generate a superordinate category label for each noun (e.g., pet), and those in the low-level construal condition were asked to generate a subordinate exemplar (e.g., golden retriever). After the construal level manipulation, participants were told that the next study would take some time to load. Then they saw a web page showing a loading bar for 90 seconds. Afterwards, they were told that they were ready to begin the next study and to estimate how long they had waited before starting the next study. Results showed that participants primed with low-level construals perceived the waiting to be shorter than those primed with high-level construals.

In experiment 2, we tested the boundary conditions by making thought numerosity salient. The procedure was similar to that in experiment 1 with two differences. First, we measured participants’ chronic construal level using the Behavior Identification Form (Vallacher and Wegner 1987). Second, we manipulated the salience of thought numerosity by asking participants to list their thoughts before or after the waiting time judgment. Listing thoughts before making the time estimation should make the numerosity cue more salient. Consistent with our hypothesis, we found that when participants listed their thoughts after the waiting time judgment, the reverse occurred: those with low-level construals judged the waiting to be longer than those with high-level construals. Furthermore, the number of thoughts participants listed mediated the effect of construal level on waiting time judgment.

In experiment 3, we tested the robustness of the effects observed in experiment 2 by using another operationalization of whether people rely on subjective feeling versus the numerosity heuristic in forming judgment of waiting time. In particular, we reason that when people are asked to estimate how long they have waited after the waiting (retrospective judgment), they should rely more on their subjective feeling during waiting. However, when they are told beforehand that they would be asked to estimate how long the wait is, they are more likely to use the numerosity heuristic. The procedure was similar to that in experiment 1 with two exceptions: (1) we measured participants’ chronic construal level rather than manipulating it, and (2) before the waiting started, participants in the prospective judgment condition were told that they would be asked to estimate how long they have waited, and those in the retrospective judgment condition were not asked to estimate until the waiting was over. The results supported our hypothesis.
The results from the three experiments contribute to construal level theory and to a better understanding of how people experience waiting time. Our research will also shed light on how service providers could manage the wait more effectively in various contexts through eliciting different construal levels.
SPECIAL SESSION SUMMARY
The Effect of Incidental Cues on Waiting
Min Zhao, University of Toronto*
Leonard Lee, Columbia University
Dilip Soman, University of Toronto

EXTENDED ABSTRACT
Waiting is ubiquitous. To complete tasks such as sending a package in the post office or getting a transaction done at a bank, consumers often have to wait for the service physically or temporally. How would these physical or temporal gaps between the point where the individual starts to engage in the activity and the actual activity itself influence individuals’ queuing decision or their satisfaction?

Our research shows that in situations like these, an individual’s approach towards the final activity might not be continuous, but rather is marked with a discontinuity. In particular, the incidental cues in these waiting contexts – cues that are not diagnostic of task-related progress -- create discontinuities by serving as a virtual boundary which defines the starting point of the task system. These cues could be embedded within the physical context of the waiting environment such as whether people are inside a designated waiting area, an informational intervention such as an irrelevant sign-in form, or even appropriate semantic cues such as whether the term “wait inside” or “wait outside” is used to refer to the same waiting area. We argue that prior to this boundary, people are outside the system. However, once they pass this virtual boundary, they are inside the system and adopt an implemental in-system mindset which can increase their commitment to the task at hand (Gollwitzer 1999), as well as their overall optimism and action orientation. Further, we show that the effect of such incidental cues will weaken if one has recently encountered another incidental cue (singularity criterion) or when consumers become habituated to the same cues in the specific task context (non-habituation criterion).

We conducted four experiments using a variety of incidental cues in different waiting environments to test our hypotheses.

In experiment 1 which was a field study conducted in a concourse of a subway station in a large Asian city, we observed individuals who joined a queue at the only ATM in the concourse. We manipulated an incidental physical cue (the presence and length of a queue-guide next to the queue for the ATM) at three levels: no guide, short guide that covered 3-4 people which excluded the participant being observed, and long guide that covered 6-7 people which included the participant being observed. In total, an RA unobtrusively observed 311 individuals who joined the queue at the fifth position and recorded whether the individual reneged from the queue before reaching the ATM or not. We found that individuals in the long-guide condition (and had thus crossed the virtual boundary) were more likely to stay in the line than individuals in the short-guide or no-guide conditions, showing increased commitment to the task at hand.

In experiment 2, we sought direct evidence for the activation of an in-system mindset by testing whether incidental cues lead to increases in general optimism and action orientation, even in unrelated tasks. The experiment was conducted during the waiting period between the first and second parts of a longer session and we employed a more subtle incidental cue in the form of a semantic-framing manipulation. After participants had completed the first part of the session, they were asked to wait in the same waiting area for the second part of the study session to be ready, but we framed it as “waiting inside the waiting area”, or “waiting outside in the waiting area” (relative to the study room). The results showed that people who perceived themselves to be waiting “inside” (vs. “outside”) were more optimistic in two unrelated tasks—they predicted a higher chance of hitting a golf ball into a hole, and preferred riskier gamble options. Further, people with an “inside” mindset were more likely to choose a computer from a given set compared to people with an “outside” mindset who were more likely to defer their choice. These results showed that people who crossed the virtual boundary adopt an in-system mindset, leading to greater action orientation and optimism in general, even in unrelated task domains.

In experiment 3, we adopted a 2 (Semantic Frame: Waiting vs. No Waiting) x 2 (Badge: Yes vs. No) between-subjects design to test the singularity criterion. The results showed that when we framed the time spent on the filler task before the focal study as waiting, wearing a badge (“Participant of the New Product Evaluation Session”) evoked an in-system mindset and led to significantly more optimistic estimation for the time needed to complete the focal study compared with not wearing such a badge. However, if the time on the filler task was not framed as waiting such that participants perceived themselves to be in the system already, the effect of badge was attenuated. Further, we observed the same result pattern for participants’ CRT scores (Frederick 2005), showing that increased commitment was also characterized by increased cognitive effort and action orientation.

In experiment 4, we adopted a 2 (Badge: Yes vs. No) x 3 (Task: Task 1, Task 2, and Task 3) mixed design with Badge being the between-subjects factor and Task being the within-subjects factor to test the non-habituation criterion. Participants in half of the sessions were asked to wear a badge for each of the three tasks before they start each task. We found that wearing a badge increased task performance for the first task compared with no-badge, however, this difference is attenuated for the second and third tasks as participants became habituated to the same cue (i.e., badge), and realize their non-diagnosticity over time.

Taken together, the results in this work provided convergent evidence for the effect of incidental cues in the waiting environment on task commitment, optimism, and action orientation. These findings add to literature on the effect of incidental cues on judgment and behavior, the goal literature, as well as the queuing literature.
SPECIAL SESSION SUMMARY
Delay and Gratification: How Waiting for Service Can Spur Increased Consumption
Yuwei Jiang, Hong Kong Polytechnic University*
Anirban Mukhopadhyay, Hong Kong University of Science and Technology

EXTENDED ABSTRACT
Waiting has long been regarded as an important topic in both psychology and marketing (Osuna 1985). What is the effect of waiting on consumption quantities? Much research, as well as common sense, suggests that there should be a negative relationship, if at all, between the two. In this research, we instead propose that ceteris paribus, there is actually a positive relationship between waiting and consumption – waiting can lead to an increase in the quantity consumed.

Many human actions are accompanied by costs. These costs are commonly financial or time-related, however, we believe they can arise from a variety of sources (e.g., waiting), all of which may contribute to a common “psychological cost”. Psychological costs, once generated, may be compensated by the gains from resources of either the same type or those that are different. Hence, if waiting is considered to be a source of psychological cost, a long wait should lead a consumer to compensate for this cost with an increase in the subsequent consumption (if the product or service being waited for is a desired one).

Psychological costs can be compensated by gains from either the same or from different transactions, this leads to a boundary condition for the effect of waiting on increased consumption. That is, if the cost of waiting is compensated from other sources before the consumption, waiting should not lead to any increase in consumption.

For our psychological cost explanation to hold, it is necessary that the consumption activity delivers a benefit or utility in and of itself. In other words, the consumer should be consuming the product or service for reasons intrinsic to itself. This leads to another boundary condition for our predictions: If the product or service is being bought for reasons that are separable from its “inherent satisfactions”, its consumption will not serve as compensation of the psychological cost.

In what follows, we report four studies that test the above hypotheses. In study 1, we administered a field survey to test our basic hypothesis. This study was conducted on weekend evenings outside a popular restaurant in Beijing, China. Customers were surveyed when they exited the restaurant after dinner. Participants were asked to report how much they had spent on that day’s dinner, how long they had to wait outside the restaurant before dinner, their evaluations of the restaurant, along with other demographic information. Regression analyses showed that waiting time did not influence consumers’ attitudes toward the restaurant, but their expenditures on their dinners. The longer consumers had to wait outside the restaurant, the more they spent on their dinners.

To infer causality as well as identify the process underlying the observed effect, study 2 replicated the findings of study 1 using a lab experiment setting. Participants were asked to imagine that they arrived earlier for lunch at a local sushi restaurant, so they have to wait outside for either a short (2 min) or long (60 min) period of time. After the waiting manipulation, participants were presented with a booklet of fifty sushi items, each with a color picture, name, and price. They were asked to indicate order quantities for each sushi item. The results showed that participants in the long wait condition ordered more food items, and spent more on lunch than those in the short wait condition. In support of our predictions, mediation analyses confirmed that the psychological cost from the waiting experience was the driving force behind the increased consumption and expenditure.

We use study 3 to test the proposed moderating role of windfall compensation. This study employed a 2 (waiting time: short vs. long) × 3 (windfall compensation: coupon vs. discount vs. no windfall control) between-subjects design. After the same manipulation of waiting as in study 2, participants were told that when they entered the restaurant after the wait, the manager approached them and informed them that it was the 10th anniversary of the opening of the restaurant, and gave them a HK$50 cash coupon (coupon condition) or a 50% discount off of that day’s lunch (discount condition) or nothing (control condition). We found that windfall compensation, when incurred after a long wait, served to decrease rather than increase the amounts of consumption and expenditure. When windfall compensation was given before the consumption, the effect of waiting on consumption disappeared.

Study 4 tests another boundary condition by investigating the purchase of products motivated by intrinsic versus extrinsic factors. We employed a 2 (waiting time: short vs. long) × 2 (motivation: intrinsic vs. extrinsic) between-subjects design. The waiting conditions were manipulated by asking participants to imagine that their flight was delayed due to bad weather. Participants were then told that during the flight, there was a special promotion on two duty free gifts, a keychain and a pen. All participants were asked to imagine that they decided to buy the pen. In the intrinsic motivation condition, participants were told that although their friend really liked the keychain, they preferred to buy the pen. In the extrinsic motivation condition, participants imagined that they decided to buy the pen because their friend really liked the pen. Participants were then told the price of the pen and asked to indicate how many pens they wanted to buy. Consistent with our hypothesis, when purchasing the product based on intrinsic motivation, participants in the long delay condition purchased more than those after in the short delay condition. However, when purchasing the product based on extrinsic motivation, purchase quantity was not influenced by the length of flight delay.

Across four studies we find that, contrary to their own lay beliefs, consumers tend to consume and spend more if they have had to wait. The current research provides important contribution to the literature on waiting and consumer behavior, and retailing promotion methods. Our findings suggest that companies may be able to use the consumer experience of waiting for product/service as an effective marketing tool, but with caution.
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The Role of Education in Nurturing Positive Consumer Financial Behavior: A Review of the Literature, Proposed Model, and Research Agenda

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ABSTRACT
Interest in designing consumer financial education interventions has grown rapidly in recent years. Technology-based interventions have received particular attention, often based on the assumption that new technologies will enhance past practice. However, little attention has been given to understanding why education, or technology-based education, may be expected to positively impact consumer financial behavior. This literature review fills this gap by examining theories that provide insight into how digital pedagogies may contribute to educational outcomes and positive consumer financial behavior. The author presents an ecological model that may inform efforts to expand the body of transformative consumer research on this topic.

INTRODUCTION
Interest in designing and implementing educational interventions to positively impact consumer financial behavior has expanded greatly in recent years. This is due to a growing public awareness of personal financial vulnerability that has accompanied the recent international economic downturn as well as educational policy responses, such as the expansion of U.S. standards for K-12 personal financial education (Council for Economic Education 2009). Educational organizations and entrepreneurs, and nonprofit agencies have sought to meet the growing demand for instructional resources (see, for example, the Jump$tart Coalition listing at jumpstart.org) as have for-profit concerns interested in providing a public service (see for example, Visa Financial Football and Financial Soccer at www.practicalmoneyskills.com/games/trainingcamp and tips and tools offered by online bank ING Direct at http://home.ingdirect.com/privacy/privacy.asp).

Decisions to implement consumer financial education programs are frequently based on the presumption that goal-driven education will result in more positive financial behavior, such as using credit wisely, avoiding excessive debt, and saving sufficiently for retirement. The embrace of technology-based educational resources is, moreover, often predicated on the idea that digital media, such as computer games, simulations, interactive tutorials, and virtual learning environments, will improve past educational practices, which have thus far yielded inconsistent evidence of effectiveness for youth and adults (McCormick 2009; Schuchardt, et al. 2009).

The problem is that little attention has yet been given to understanding why educational interventions in general or technology-based tools and strategies in particular may be expected to improve consumer financial literacy or consumer financial behavior. The literatures that may help advance such understanding are diverse and have not yet been well examined and integrated in terms of applicability to financial education and/or consumer financial behavior. This paper is designed to fill this gap by proposing a model encompassing several categories of behavioral and educational theories that provide insight into how educational interventions, such as digital pedagogies, may contribute to educational outcomes and positive consumer financial behavior. Such insights should be helpful in designing and testing future financial literacy education interventions aimed at promoting positive consumer financial behavior.

PROPOSED MODEL
The proposed model for examining how financial literacy interventions, grounded in behavioral and educational theories, may contribute to financial education outcomes and consumer financial behavior is outlined in Figure 1. The model reflects several specific behavior theories and suggests that consumer financial behavior emerges as a result of characteristics of the individual as well as interpersonal and societal factors that can be viewed within a nested (ecological) configuration. It illustrates that these represent potential units of practice for educational interventions which may focus on one, or more than one level at a time. The model is meant to point out that educational interventions are only one potential determinant of knowledge and skills which may lead to positive consumer financial behavior. It also suggests that technology-based education approaches may support positive educational and behavioral outcomes (or not) depending upon whether, and to what degree, they support learning tasks and processes, facilitate access to learning opportunities, stimulate motivation to learn, and accommodate unique learner needs.

Theories of Behavior and Financial Education
Braunstein and Welch (2002) pointed out nearly a decade ago that while acquiring additional information can lead to improved financial behavior, it cannot be counted on to do so automatically. Research has shown that individuals and households do not always act in ways consistent with their best financial interests even when they have accurate financial information. Although there are a few notable examples of programs with a behavioral component (e.g., Lusardi et al. 2009; Sherraden et al. 2009), financial education has most frequently been focused on enhancing knowledge (or knowledge, attitudes, and skills) related to specific personal finance topic areas, such as money management, banking, credit, saving, investment, insurance, and taxes rather than behavior per se (Coussens 2006; McCormick 2009; Vitt et al. 2005). Positive consumer financial behavior is often presumed to follow from improved understanding of financial concepts, and little guidance has been available about how to enhance the likelihood that knowledge and skills acquired within financial education programs will lead to desired (or desirable) financial behavior.
Human behavior theory is one body of literature which offers a variety of explanations for how behaviors are actually formed and why. Such frameworks have been applied extensively in a number of fields, such as health behavior and education specialties (Glanz et al. 2008) and nutrition education (Contento 2010). However, researchers are only beginning to explore how behavior theory could be used to advance understanding of the present and potential role of education in nurturing positive consumer financial behavior (e.g., Xiao 2008).

This review suggests that an ecological perspective may be useful for envisioning how behaviors theories may inform the development of consumer financial education programs and research on their efficacy in nurturing positive financial behavior. There are a number of behavior theories that seek to explain the development of behavior in terms of the attributes of individuals, others that emphasize the role of interpersonal interactions, and still more that highlight the impact of group and community dynamics. There are also models that focus on broader patterns of public thought reflecting norms and values and how to change them to affect behavior.

Although behavior theories are typically presented as distinct, they do contain overlapping constructs. And while some may best be suited to specific practice contexts separately, researchers and practitioners may also find them complementary, and collectively applicable to more comprehensive strategies to effect consumer behavior change. Approaches to financial education that simultaneously accounted for individual, interpersonal, group/community and system-wide influences on consumer financial behavior would, in fact, be consistent with the trend toward application of ecological models to research and practice aimed at improving other domains of well-being, such as health and nutrition. The combination of personal, interpersonal, organizational/community, and policy intervention strategies has, for example, been credited with producing the reductions seen in tobacco use in the United States over the past few decades (Institute of Medicine 2001). Selected models that seem particularly promising for advancing research and development concerning the role of financial literacy education in promoting positive consumer financial behavior are outlined below.

**Models of Individual Behavior**

The *theory of reasoned action (TRA)* and the *theory of planned behavior (TPB)* give attention to how motivational factors contribute to the likelihood that an individual will
engage in a specific behavior. Initially articulated by Fishbein and Ajzen (1975) and extended by Ajzen and colleagues (e.g., Ajzen, 1991), the theories assert that it is one’s intention to behave in a certain way that most directly predicts behavior and that those intentions are determined by one’s attitude toward the behavior (beliefs about the outcomes likely to be associated with engaging in the behavior), subjective norm associated with the behavior (how close associates would feel about the behavior if performed), and in the TPB, beliefs about the degree of control one has over the behavior (factors that may serve to impede or facilitate performing the behavior). Research has shown that the relative importance of the three categories of constructs may vary for different consumer financial behaviors as well as for different individuals and populations (DeNavas-Walt et al. 2009; Hira and Loibl 2008; Rhine, et al. 2006; Watchravesrangsri 2008).

The transtheoretical model of change (TTM), developed by Prochaska and colleagues (1984) posits that behavior change emerges through a series of stages and processes over time rather than at a single point in time. TTM outlines five stages of change (precontemplation, contemplation, preparation, action, maintenance) and 10 associated processes, and it posits a role for three additional constructs: decisional balance (how a person weighs the pros and cons of changing), self-efficacy (ability to cope with risky situations involving the behavior), and temptation (the intensity of the urge to engage in converse behavior). Interventions are theorized to be most effective if personalized to move individuals from their current stage of change to the next stage. Stage of change theory could be used, for example, to structure financial education and financial coaching interventions, such as those recently reviewed by Collins (2010) in either face-to-face or technology-based formats.

**Models Focused on Interpersonal Behavior**

Social cognitive theory, as articulated by Albert Bandura (1977; 1986), posits that behavior is a function of the reciprocal interaction between and among personal (especially cognitive), behavioral, and environmental factors. Among specific tenets of the theory are that 1) people learn by observing others; 2) people are more likely to imitate behavior exhibited by others they perceive to be like themselves; and 3) consequences (including those observed among others) are important determinants of behavior. Recently, Bandura (2001) has refined the theory to give attention to the central role of human agency or self-efficacy (direct personal agency and also proxy and collective agency) as a behavior determinant. An instructional video that would reflect a number of these concepts is Mr. Earl – If He Can Do It, So Can You, produced by the Investor Protection Trust (2009). It employs modeling to show how individuals with even modest means can develop wealth over time without engaging in risky financial behavior.

There are a number of theories focused on social networks and social support that have potential for better understanding the role that education can play in promoting positive financial behavior. Theories regarding the role of family structures and interaction patterns in human development (e.g., Smith, et al. 2008), suggest that families may serve as important direct and indirect partners in consumer financial education. Research based on family theory (e.g., Bueltler and Dickson 2008) has revealed, for example, that families provide networks of financial information, financial role models, and financial grants and exchanges, sometimes with documented long-term effects on economic attitudes and behavior (Allen et al. 2007; Webley and Nyhus 2006). Social capital theories, such as those articulated by Coleman (1988), Bourdieu (1986), and Putnam (2000), suggest that social relationships outside the family in contexts like schools, workplaces, and the community, provide access to important noneconomic resources, such as knowledge and information, norms and values, and reciprocal obligations that can have important long-term economic consequences. Such relationships may arguably be easier for educators to help forge and harness than ever before, given rapidly expanding access to educational technology and social media, for example Facebook and Twitter.

**Community and Group Models of Behavior**

Diffusion of innovations theory, such as that articulated in the popular book The Tipping Point: How Little Things Can Make a Big Difference (Gladwell, 2000), argues that most influential trends are determined by a common set of factors that ‘tip’ them into popularity including having influential champions, having an attribute that is compelling and sticks in the mind; and having the right environmental conditions to support the innovation. Research by Rogers (2003) has also revealed that the speed and extent to which an innovation is adopted is determined by several factors. Scholarship in the area of community organizing and community building is grounded in the idea of empowering individuals to take control of their lives and environments (Rappaport 1984) by identifying common problems or goals, mobilizing resources, and developing and implementing strategies to reach goals that have been set collectively (Minkler and Wallerstein 2004). Strategies that are used in most models of community building include grassroots organizing, organizing coalitions, leadership development, political and legislative action, consciousness raising, and culturally sensitive practice. The America Saves campaign (www.americasaves.org), managed by the Consumer Federation of America (CFA) reflects many of these strategies.

**Policy and Systems Models of Behavior**

The final group of theories addresses factors that influence behavior at the broadest level – policy and social structures. One that is well-known among consumer behavior researchers (though arguably not among consumer finance educators interested in influencing behavior) is social marketing. Generally attributed to Kotler and Zaltman (1971), social marketing involves using marketing tools and strategies to influence behavior for the benefit of individuals and society (Andreasen, 1994, 2006). Broad approaches may include product-driven strategies (branding or striving to make the targeted behavior widely distinguishable), consumer-driven strategies (working to achieve sustainable consumer demand by focusing on what is a desirable social norm), and market-driven strategies which attempt to position the targeted choice as superior to other alternatives (Storey, et al. 2008). Social marketing concepts may be especially useful in operationalizing recent calls to expand transformative consumer research or that which gives explicit attention to...
solving real problems and enhancing consumer welfare (Mick, 2006). The America Saves campaign, for example, focuses on the real problem of how to increase savings behavior and appears to reflect at least some social marketing principles in its design and suggested implementation. However, elements of the design that are particularly salient in producing positive consumer financial behavior have yet to be examined either for general or sub-population groups.

Choice architecture, or designing environments so that individuals are ‘nudged’ (Thaler and Sunstein 2008; Ariely 2008) to act according to their own self-interests while retaining at least some freedom of choice, is a final set of theories of behavior change that could inform research on the role of education in consumer financial behavior. Key themes of this scholarship, which is grounded in the field of behavioral economics, are framing, heuristics, and prosocial bias. Research on framing has demonstrated that the way costs, benefits, and risks are framed affects the choices participants make. Heuristics are the guidelines individuals adopt to make decisions when they are confronted with too much information (Tversky and Kahneman 1973, 1974). Prosocial bias refers to research which has shown that people will produce greater effort when their actions are visible to others, they can communicate with others, and where they share a group identity (Gerber, et al., 2008). Social networking sites offer potential for examining the efficacy of such concepts in implementing financial education and nurturing positive consumer financial behavior.

The behavior theories reviewed here reflect only a sample of those available. And as important as they likely are to designing educational programs that may positively impact consumer financial behavior, another set of perspectives is also particularly relevant to such efforts given current interest in using new technologies for teaching and learning. These are outlined in the next section.

Affordances of Technology for Learning

As of June 2010, there were nearly two billion Internet users in the world (Internet World Stats, 2010). User rates as a percentage of the population vary considerably by continent with North America having the highest rate of use (77.4%) and Africa and Asia the lowest (10.9% and 21.5% respectively). Despite the lower rate of usage, Asia has the greatest number of Internet users in the world; a total of 825 million. And the rates are growing rapidly even in regions with low Internet use, such as Africa which experienced the greatest growth in Internet usage over the last decade. Such statistics underscore the timeliness of looking at how information technology can be harnessed for educational purposes in general, and specifically how it can be employed for purposes of promoting positive consumer financial behavior.

The Internet provides access to websites which can be identified using search engines, such as Yahoo and Google, and accessed via browser software, such as Firefox and Safari, or increasingly through single-purpose applications or ‘apps’ downloaded to mobile devices, such as the iPhone and iPad (Anderson & Wolff, 2010). Many websites permit users to create content through blogs (allow posts to accumulate over time) and wikis (add, remove, edit content). YouTube is a leading website for hosting free streaming video. Social networking sites, such as Facebook, which has over 500 million users, and MySpace and Twitter which have about 90 million each, have become wildly popular (http://www.ebizmba.com/articles/social-networking-websites). A number of course management systems are available for delivering courses in whole or part over the Internet, for example, Moodle, Blackboard and WebCT. And online games and simulations are becoming important sources of both direct consumer financial instruction (see for example, the September 2010 CBS MoneyWatch.com list of the six best online games that teach about money) and incidental opportunities to learn about consumer financial behavior (see, for example, the consumer decisions players are asked to make in the online game World of Warcraft (http://us.battle.net/wow/en) which now has over 12 million paid subscribers worldwide.

Learning Tasks and Processes

A useful distinction is one that has been made between learning from and learning with technology (Jonassen and Reeves 1996). The ‘learning from’ perspective is grounded in a behaviorist view in which learning is seen as transferring information so that it is absorbed or ‘banked’ by the learner (Hayes 2000). It prescribes a more passive role for the learner, and the educator (if there is one) becomes a manager of predetermined content and activities. The ‘learning with’ perspective is grounded in constructivist learning theories in which learning is viewed as the active construction of knowledge through interaction with the environment and with others. The goal is for learners to discover their own meanings, and the role of the educator is as a facilitator of learning (Merriam, Cafarella, and Baumgartner 2007). Transformative learning theory is a hypothesized model of adult learning advanced by Mezirow (2000) that is consistent with the constructivist perspective and which may be especially useful in structuring consumer finance education interventions. Transformative learning is seen as the process by which individuals recognize and alter existing meaning schemes, such as beliefs and attitudes through experiences that build upon a disorienting dilemma, such as a financial trigger event (e.g., birth of a child), which in turn supports reflection and action.

Mayes and de Freitas (2004) argue that it is important to consider how technology-based pedagogic approaches may be more or less consistent with one’s perspective on learning – behaviorist versus constructivist. Activities that are more behaviorist in nature will be less authentic and more formal, emphasize retention/reproduction of knowledge to a greater degree, and have less learner control while activities that are more constructivist in nature will be more authentic and less formal, have a greater role for others in the activity, emphasize reflection to a greater degree and provide for more learner than educator control.

Based on the theories outlined earlier in the paper, one may infer that consumer financial behavior is not just a function of one’s factual knowledge and skills (although those are certainly important), but also of a complex array of other personal, interpersonal, and environmental factors: beliefs and attitudes; goals and intentions; self-efficacy and self-regulatory ability; and resources derived through authentic experiences, social interaction, and self-reflection. While either behaviorist or constructivist approaches to learning may be useful in developing knowledge and ‘how-
to’ skills, the other important determinants of behavior may arguably be more likely to develop through constructivist approaches.

One example of technology use that reflects the idea of ‘learning with’ is educational games. The body of research examining the utility of games for learning has been growing in the past decade and many scholars in this area are convinced that games and simulations can offer powerful contexts for learning, despite an ‘anti-gaming rhetoric’ among some educators (Shaffer et al. 2005). Shaffer (2006), for example, argues that games designed using an epistemic frame, or deliberate attempt to engage learners in a community of practice that reflects key skills, habits, understandings, and values needed for effective behavior in a specific sphere of activity (such as saving for retirement) will allow players to realize the educational potential of games.

The Stock Market Game (http://www.smgww.org) is an example of a financial education game that reflects such a perspective.

**Digital Technologies and Motivation to Learn**

Garnering and maintaining learner attention is a key challenge for educators in most contexts. Self-determination theory, proposed by Deci and Ryan (1985), offers some insights into how and why digital technology may be able to help with this issue. The theory suggests that desire for competence, autonomy, and relatedness will drive participation. Csikszentmihalyi and colleagues (2005) developed a related theory of emergent motivation and the concept of ‘flow’ that suggests individuals who are able to become totally immersed in experiences through discovering new goals and rewards will persist longer in them. The feeling of having fun with a learning experience has also been linked empirically to intrinsic motivation and learning (Prensky 2002). Such insights make it easy to understand how digital resources, such as online games and simulations (which permit creators to build in appealing 3-D graphics and music, user-controlled play options, opportunities to interact with others, and immediate positive feedback), for example, could be motivational tools for consumer financial education—or why they may not be.

**Accessibility**

As pointed out earlier, access to technology varies widely across regions globally. It also varies among demographic segments within specific regions (e.g., Rainie 2010). But ‘access,’ in terms of the role that education may play in nurturing positive consumer financial behavior, involves more than access to hardware or communication systems. Consideration should also be given to ensuring that individuals are able to make meaningful use of educational technologies when they do have access.

The way individuals learn may vary according to a number of factors, such as knowledge and experience, physical or sensory disabilities, and preferred learning styles (Beetham 2007). The concept of universal design for learning (UDL) (Rose and Meyer 2002) is a framework that can be used to provide for such differences by ensuring that instructional tools and resources incorporate multiple means of representing information (e.g., text, graphics, sound, animation), multiple means of expression (e.g., verbally, through writing or demonstration), and multiple means of engagement (e.g., choices of content and levels of challenge). Mayer (2005) and other researchers have found that learners engaged in learning that incorporates multimodal designs (e.g., words, pictures, and sounds) exhibit greater achievement than learners with access to just single modes.

Past efforts to expand consumer finance education have focused primarily on what might take place in educator-planned contexts. However a good deal of research on adult learning (Tough 1979) has shown that more than one third of adults’ intentional learning occurs outside formal contexts in places such as the home and workplace. Livingstone (2001) recently found that participation in informal learning activities among Canadian adults outpaced participation in instructor-led courses by a ratio of over five to one. Additionally, Hira and Liobl (2008) found, in a national U.S. study of investment behavior, that the vast majority of adults preferred to learn either by talking with knowledgeable others’ one on one (87%) or by doing their own research (75%). Given such findings, it would seem to make sense to consider informal learning as an opportunity to impact consumer financial behavior. The impact, however, will likely be determined by both the quality of resources available through the Internet and ability of learners to understand how to access and assess the information that is available. Gibbons (2004) argues that educators should take specific steps to bridge the divide between teacher-directed and self-directed learning to nurture more of the latter. This seems especially relevant in the area of consumer finance given the increasing variety of financial products, services and providers and growing challenge of discriminating among them to ensure financial security.

**CONCLUSIONS AND IMPLICATIONS**

Findings from this literature review underscore the timeliness of examining the potential role that educational technology can play in nurturing consumer finance-related learning aimed at promoting positive consumer financial behavior. The question of how to harness the power of new technologies will best be answered through translational research efforts that examine how theoretically grounded interventions contribute to educational outcomes and subsequent consumer financial behavior. Specific attention should be given to such issues as: What combinations of behavior theories can best inform consumer financial education interventions, in particular technology-based interventions, for specific financial behaviors and populations? How can unique learner needs, such as language and literacy differences, cultural background, and learning styles be addressed most effectively through technology-based tools and resources designed to promote positive financial behavior? What accessibility and motivational attributes of technology-based tools and resources are most salient in promoting learner engagement, consumer finance-related learning and positive consumer behavior? How do incidental and self-directed learning opportunities (e.g., through social media) contribute to consumer finance-related learning outcomes and consumer behavior? And, how do planned educational interventions interact with other contextual factors (such as choice architecture approaches which structure or limit consumer choices) to affect both consumer-related learning and consumer financial behavior? Answering these questions should serve to inform the work of
both consumer financial practitioners and consumer behavior researchers.

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Feeling Stereotyped and its Effects on Investment Decisions

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EXTENDED ABSTRACT

It is unfortunate that most social groups are, at times, associated with negative stereotypes. Yet to date, previous research investigating stereotypes in the consumer realm has predominantly focused on judgments involving targets associated with stereotypes. Less is known, however, about how consumers react when they become aware that they, themselves, are the targets of these stereotypes. In this research, we draw on the literature of stereotype threat and its subsequent activation of less optimistic views and defensive goals (Brodish and Devine 2009; Kray, Thompson, and Galinsky 2001; Park and Maner 2009). For instance, Stagor and colleagues (1998) demonstrated that activating group stereotypes undermines people’s own performance expectations. This research proposes that consumers will become overly cautious about risks associated with investments and will unduly prefer safer options when negative stereotypes to their groups are made salient. To examine this issue, we conducted three experiments.

In Study 1 involving investment-related decisions, 59 undergraduate students participated. To activate a negative in-group stereotype, half of the participants were first asked to think about simply any group to which they belonged, while the other half was asked to think about any group to which they belonged that has negative stereotypes. By so doing, we controlled for the activation of “group” concepts. The participants were then asked about their attitudes toward investing in high-risk versus low-risk stocks, assuming that they were to evaluate a stock pick of the week provided by a financial consulting firm. In order to vary the degree of riskiness, we showed two types of beta scores representing the measure of a stock’s volatility in relation to the market, beta = 4.89 vs. .39. The results from the 2 (Risk: High vs. Low) × 2 (Stereotype: Activated vs. Control) ANOVA yielded a significant two-way interaction effect of risk and stereotype (F(1, 55) = 5.57; p < .05). Further analyses involving contrasts revealed that people under the influence of salient negative stereotypes (i.e., those who were asked to think about their group negatively associated with certain stereotypes) preferred safer (less risky) investment ideas (i.e., a portfolio of low-beta stocks) to riskier ideas (F(1, 55) = 3.37; p < .07). On the other hand, there was no difference in preference among those in the control condition for whom no negative stereotype was activated (F(1, 55) = 1.79; p > .18). Additionally, it was found that low-risk stocks were preferred by people under the influence of negative stereotypes, compared to people in the control condition (F(1, 55) = 3.18; p < .08).

In Study 2, we replicated these findings (i.e., the tendency to be risk averse under the influence of negative in-group stereotypes) by inducing stereotypes differently and having participants engage in a different investment decision. When the participants were asked to choose one between two different stocks (one risky and one less risky stock), they were more likely to prefer the less risky stock when their negative in-group stereotype was more salient (β = -2.47, p < .01), although the participants for whom any negative stereotype was not activated exhibited no different preferences.

In Study 3, we further examined a boundary condition. Since the avoidance response is often adopted among low (vs. high) self-esteem individuals who face a self-threat (Baumeister, Tice, and Hutton 1989; Park and Maner 2009; Tice 1991), we posited that the tendency to exhibit a defensive investment style under the influence of negative in-group stereotype would be stronger among individuals with low (vs. high) self-esteem. To test this prediction, 85 undergraduate students participated in this study. We manipulated stereotype activation by having them think about any group to which they belonged that has either negative or positive stereotypes. In addition, people assigned to the control condition were asked to proceed to the main task without thinking about any group. Then, the participants were asked about their attitudes toward financial risks. For this measure, we used Weber, Blais, and Betz’ (2002) eight items measuring how risky individuals perceived each behavior (e.g., investing 5% of annual income in a very speculative stock). Next, they completed Rosenberg’s (1965) trait self-esteem measure. The level of trait self-esteem (high vs. low) was determined by a median split. The 3 (Stereotype: Negative, Positive, Control) × 2 (Self-Esteem: High, Low) ANOVA run on risk perceptions revealed a significant two-way interaction (F(1, 79) = 5.41; p < .01), consistent with our predictions. Specifically, among low-esteem participants, those who were reminded of their negative stereotype perceived a series of risky actions as riskier compared to those who were reminded of their positive stereotype (M = 4.58 vs. 3.69; p < .01) or those in the control condition (4.58 vs. 4.09; p < .06). In addition, people who were thinking about their positive stereotype perceived those actions as less risky, compared to those in the control condition (p < .07), indicating positive stereotypes can lower perceived risk, opposite from negative stereotypes that boost such perceptions. However, such patterns did not emerge among people with high trait self-esteem (ps > .75). As such, these results indicate a moderating role of trait self-esteem. Overall, it was found that people with low (vs. high) self-esteem more strongly tended to be influenced by both negative and positive in-group stereotypes.

Taken together, the results provide converging evidence that when a negative in-group stereotype is activated via self-generated thoughts (studies 1 and 3) and the insertion of a stereotype-relevant task (study 2), consumers tend to try minimize risks when generating investment-related decisions. Such a risk-averse pattern of investment decisions appears to result in a unique judgment that would not otherwise occur. Furthermore, this tendency is found to be moderated by an individual trait, namely self-esteem.

Theoretically, this research can shed light on why stereotyped consumers may make differential decisions, which is explained as a result of risk avoidance. Thus, this research promises to advance our understanding of consumers’ irrational decision-making, which is directly linked to consumers’ well-being. More importantly, the
results of this research can enhance our understanding as to why people under stereotype threat make decisions in a way that minimizes risk. Additionally, this research can be easily expanded to other risky behaviors, such as health-related or mating behaviors.

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Utilization of Formal and Informal Financial Services among Immigrants in the United States

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PURPOSE OF RESEARCH

Although previous research has increased knowledge about bank use among immigrants and correlates of such use and nonuse (e.g., Paulson, Singer, Newberger, & Smith, 2006; Rhine & Greene, 2006), much less is known about the utilization of informal financial services. Our study contributes the literature by developing detailed descriptive profiles of selected immigrant groups to illustrate the relative importance of formal and informal financial service use for selected types of financial transactions. We also examine their attitudes about different financial services. Comparable information is developed for a sample of low-income immigrants as well as their native counterparts. This allows assessment of the extent to which important financial transactions follow similar or dissimilar patterns between low-income immigrants and natives.

This study contributes to the literature in two important ways. First, our dual focus on both formal and informal financial services utilization among immigrants, instead of only on bank account ownership, has not been presented in prior studies. This is an important issue because immigrants, as well as low-income natives, are more likely to rely on informal services, and such uses may also limit their participation in formal financial markets. Second, we also examine how immigrants’ financial attitudes towards different types of financial services, which also has largely been absent in previous literature and may have importance in terms of developing financial training and other information services.

METHODS

We use data from the Survey of Financial Activities and Attitudes (SFFAA), a survey sponsored by the U.S. Office of the Comptroller of the Currency (OCC). The survey was conducted between 1998 and 1999 in census tracts with median household incomes of less than 80% of the median household income in the New York City and Los Angeles County metropolitan areas. This data set includes unique content that suits our study purposes well, and it is the best available data set for addressing our research questions. Most important, it includes detailed information on different types of financial services (e.g., services provided by banks, check cashing outlets, supermarkets or stores, and work places) that individuals have used to conduct various types of financial activities. The financial activities contained in the survey include receiving income, converting income to cash, making payments, sending remittances, building savings and obtaining loans. Furthermore, the survey includes respondents’ attitudes concerning why they choose to use or not to use certain financial services. In addition, it includes high percentages of immigrants (46%) living in low- and moderate-income communities. The study sample includes 771 immigrants and 1232 natives.

We first develop a detailed profile on the patterns of financial service utilization, and we present this profile for all respondents in our sample, as well as among immigrants and natives. We present how often they use different types of financial services to conduct each of the six routine financial activities that we mentioned above. We also construct a similar profile of immigrants’ attitudes on why they use or do not use certain financial services. Bivariate analyses are conducted to compare whether the service use and attitudes differ between immigrants and natives.

FINDINGS

Consistent with previous studies, we find that immigrants have much lower bank account ownership than their native counterparts. Our study findings further indicate that low-income immigrants and natives have different patterns in terms of their financial service utilization. Immigrants were more likely to use informal financial services, such as check cashing outlets, money orders, and cash, when they conducted financial activities of receiving income, converting income checks, and making payments. Similarly, they were more likely to build their savings in “informal” ways including in cash and money orders; and they also were more likely to obtain their loans from family/friends and other “informal” avenues instead of getting loans from banks. However, the study findings also indicate that low-income immigrants and natives tended to utilize both formal and informal services, and the patterns of financial service utilization depended on different financial transactions.

We also examine immigrants’ attitudes towards financial services. We find that the most important reasons of immigrant not having a bank count was cost-related factors (e.g., bank fees) and the complexity of opening and managing a bank account. When conducting different financial transactions, the most-liked service features by immigrants include convenience, cost-saving, safety and security, and friendly staff and environment of financial service providers.

CONCLUSIONS

Our study results point to practice and policy implications with respect to the development of financial services that could better meet the needs of immigrant population. Most important, social work educators should work with consumer educator and community advocates to encourage mainstream financial institutions to reach immigrant markets by developing more suitable services and products for this population. These services and products could include opening special bank branch offices that are conveniently located for immigrant neighborhoods, offering bank services with lower fees and required account balances, and providing services that are friendly and cultural sensitive to immigrants. The study results also point to the importance of financial education that could help immigrants better understand the financial services that are offered by banks and other mainstream financial institutions.
INTRODUCTION

Possibly no aspect of consumer behavior is more studied in consumer research than choice. Yet remarkably almost no research has focused directly upon the context of restricted consumer choice (Markus and Schwartz 2010). This moment occurs when a consumer is motivated to make a consumer choice, construes the choice as salient and self-relevant, and yet cannot make the choice because of systemic restrictions beyond the control of the consumer that circumscribe their ability to make marketplace choices. Simply put, consumers experiencing restricted choice want (even desperately) to make important consumption choices but cannot.

Among many Western European/North American consumers, this kind of shackled consumer choice flies in the face of the pervasive and dominant discourse of freedom, independence, and agency (Bellah et al. 1985; Hochschild 1995; Plaut, Markus and Lachman 2002). In turn this privileged and dominant discourse has guided a broad research inquiry into consumer choice that assumes that consumers have tremendous latent power to extract benefits from sellers in return for desirable behavior (purchase) and curtailment of externalities (Coleman 1990; Gaski 1984; Rothschild 1999). The vast majority of consumer research on choice assumes that consumers are free agents able to act upon individual tastes and preferences to make choices that help them to actualize life goals and personal values. However, recent research has demonstrated how tenuous this assumption is given demonstrated heterogeneity in both the ability to choose and structurally imposed access to choice (Markus and Schwartz 2010).

The momentum in choice literature to emphasize by assumption free-choice neglects a type of marketplace exchange where consumer choice is restricted due to economic and psychological constraints. For example, Reay, Davies and Ball (2001) describe economic and psychological constraints racial minorities encounter when seeking admittance into institutions of higher learning. They argue that ethnicity, social class and gender influence the degree to which individuals face material and emotional constraints on choice. Giddens argues that psychological constraints to choice are far more pervasive than what is accounted for traditionally (1995: 75).

Choices are blocked, or programmed, by unconscious emotions, which cannot first be thought away by listing indefinite numbers of ‘options’. Depending upon how fixed unconscious traits are presumed to be, one’s genogram could be seen as setting clear limits to feasible options. To see day-to-day life as an amalgam of free choices is to fly in the face of psychological reality.

Mostly due to the influence of its economic pedigree, marketing scholarship recognizes that the most common constraint to consumer choice is financial budget. Consumer budget constraints may be inferred directly or indirectly. Budget constraints are inferred directly as consumers verbalize their financial ability, provide supporting evidence of financial reserves such as in a bank or credit account, or demonstrate through shopping behavior their inability to purchase because of insufficient resources (money, knowledge). However, consumer buying power may be influenced through additional inputs such as consumers’ physical dress and appearance, skin tone, educational competence, and language ability. Prior studies on consumer choice have accounted for direct measures of consumer budget, but have all but overlooked other systemic and intrapersonal constraints on consumers’ ability to choose in the marketplace. Understanding the broader perspective of purchase constraints is especially important when considering that the nature and outcome of exchanges between buyers and sellers are defined by the relative power of the exchange parties (Gaski 1984).

Among the marketplace exchanges that are characterized by greater consumer constraint and less by consumer choice are financial products (e.g. loans, mortgages, leases), insurance (e.g., health, accidental, life), legal protection (e.g., litigation service), healthcare (e.g., counseling, experimental medicine), private clubs (e.g., professional and civic fraternities like the Rotary club), and educational services (e.g., higher education, career training).

Consumers can choose what brand of jeans to wear, which company’s mattress to sleep on, and when to visit a favorite fast-food restaurant which presents a menu of options from which to choose to “make it your way.” Certainly consumer choice is pervasive in the marketplace. However, what are the individual and systemic (or institutional) consequences when consumer choice is fettered and restricted as it is in many different marketplace contexts? This question is remarkably understudied in current research.

This study is directly aimed at addressing this overlooked but desperately important aspect of consumer choice. To address the domain of restricted choice, this research focuses on minority entrepreneurs and their experiences seeking financing for their businesses. For a number of reasons, this context marks an ideal venue for a deep investigation into the consumer experience of restricted choice.

First, research in entrepreneurship has shown that in the much larger spectrum of “small business,” entrepreneurs, especially “mom and pops shops” and sole-proprietorships, have attenuated business acumen and limited resources, and therefore behave more like “consumers” than they do “commercial” entities. This assertion is consistent with research on resource-constrained entrepreneurs in the marketing literature (Viswanathan and Rosa 2010) that also adopts a micro-level perspective of the individual entrepreneur. This micro-perspective differs from the macro-
level perspective (i.e., economic systems, corporate strategy) adopted in other bottom-of-the-pyramid work (Hart 2005; Prahalad 2005). Given their low net worth and the need for working capital, the survival of resource-constrained entrepreneurs rests upon their ability to garner small loans or other means of capital infusion. Thus small business entrepreneurs are desperate and beholden consumers of financial products who often lack knowledge and experience with financial institutions creating asymmetric power in the exchange which heavily favors the seller. These asymmetries work to restrict choice among highly motivated (often desperate) consumers of financing.

Previous research (Bone et al. 2008) demonstrates that entrepreneurial business banking customers are systemically vulnerable to discrimination. This is due to a regulatory policy system which erroneously assumes that retail bank consumers (B to C) and business banking customers (B to B) are completely discrete and disparate consumers of financial products. Through the public policy lens, small-business entrepreneurs are assumed to be “businesses” and thus enjoy the financial acumen much larger, more experienced, and thus better resourced firms. From a regulatory and enforcement point of view, sole-proprietorships are treated the same as multi-national corporations (Bone et al. 2008). The net effect of this view is that, in the United States for example, almost none of the legal protections that (B to C) retail banking customers enjoy are extended to entrepreneurial consumers (considered B to B) of financial products. The limited legal protections and nonexistent oversight and enforcement of small entrepreneur consumer lending furthers the creation of a context in which consumer choice with be restricted.

In addition, minority status will unfortunately further exacerbate the experience of restricted choice of financing for minority entrepreneurs. From a vulnerable population perspective (Baker et al. 2005; Hill 2006), the feelings and expressions of minority consumers are that they often feel out of place, unwelcome, and up-against all odds when attempting to transact business in the marketplace. This may be due to the interaction of individual (e.g., a person’s race) and situational characteristics (e.g., structural or societal barriers). Racial marketplace disparate treatment is differential treatment of consumers in the marketplace based on race/ethnicity, which constitutes denial or degradation in the products or services that are offered to the consumer (Harris, Henderson, and Williams 2005).

Minority entrepreneurs seeking financing for their business are certainly a vulnerable population. A report from the U.S. Chamber of Commerce (2005) concludes that lack of access to capital and credit is the most common obstacle for African American and Hispanic business owners. Moreover, Wainwright (2007) reported finding quantitative evidence that minority-owned businesses are substantially and significantly more likely to be denied credit than are white-owned firms. Thus minority entrepreneurs are a consumer group likely to experience restricted choice in their efforts to secure financing for their business.

Finally, entrepreneurs are a consumer group who value freedom and independence as essential personal values. The quest for self-sufficiency, independence, and self-determination is a central life goal and a personal project and the ability to choose is an essential aspect of the experience of freedom. Thus the ability to choose for entrepreneurs is not merely an unvalenced activity of consumption but a central aspect of freedom which is an essential aspect of personal meaning and self for these consumers. Taken together, the centrality of choice and freedom for entrepreneurial consumers will heighten the experience of restricted choice making a careful examination of entrepreneurs, especially minority entrepreneurs an ideal context within which to investigate the experience of restricted consumer choice.

RESEARCH QUESTIONS

This study is an effort in transformative consumer research (TCR). We seek a deeper understanding of the experience of restricted consumer choice for both theoretical as well as transformative reasons. Theoretically, the understudied nature of restricted consumer choice begs to be addressed and understood at a level that is both richer and more grounded in the lived-experience of consumers. What is the phenomenology of restricted consumer choice and what are the lived-outcomes of that experience among consumers? From a TCR perspective, we seek to understand the experience of vulnerable entrepreneur consumers so that insights are identified and recommendations made to both public policy and business practice. To this end, we employ a qualitative depth-interview method to investigate the following research questions. While both minority and white entrepreneurs experience restricted choice, how does the experience of white business owners differ from the experience of African American and Hispanic business owners in capital-seeking marketplace exchanges? Second, what are the factors that increase the likelihood of vulnerability among African American and Hispanic entrepreneurs? Third, what types of appraisal, defense and coping mechanisms do minority entrepreneurs employ in response to restricted consumer choice? To shed light on these questions we describe the methodological approach and results of this study looking directly and deeply into the experience of constrained and restricted consumer choice. From this we identify both theoretical insights and transformative intervention strategies suggested by these findings.

METHOD

We employ the Zaltman Metaphor Elicitation Technique (ZMET; see Zaltman 1997), a semi-structured, depth interview format that focuses on uncovering the lived-experience of informants and from that gain insights into their emotions, beliefs, and values. This approach is recommended for exploring the deeply held and shared cultural models (Keller 1993). We purposefully sampled small business owner informants to represent three racial/ethnic groups of small business owners: White/Caucasian, Hispanic, and African-American (Patton 1990). Thirty-nine informants who owned a small U.S. business were recruited for this study. Sixteen were White, 13 were Hispanic, and 10 were African American. Participants ages ranged from 23-68; 30 were male and 9 were female. Informants were asked to prepare for the interview by first thinking about the research question. Specifically they were asked to think about their experiences seeking financing for their business. Then they were asked to collect 8 to 10 pictures that represent their thoughts and feelings about seeking financing for their businesses and bring those photographic projective devices to their interview.
Interviews followed the various steps and activities of a ZMET interview as outlined in Zaltman (1997) and were conducted by interviewers trained in the methodology and familiar with the ZMET protocol. Interviewers were matched to the informant based on their race and language of origin. This step was taken to enhance conversational flow and to ensure cultural sensitivity.

Each interview began by asking the respondent to choose their first picture and explain how this image represented his or her feelings about their experience seeking financing for their business. As the respondent explains the meaning represented by the photo, interviewers are trained to hear vivid metaphors mentioned by (elicited from) respondents and then probe for further elaboration of those metaphors. To ensure understanding, the interviewers also use reflexive interviewing techniques such as restating informants’ comments and summarizing to ensure comprehensiveness and understanding in the voice of the respondent (Roger and Farson 1984; Athos and Gabarro 1978). The results of these interviews were transcribed into the several hundred page narrative of these consumers’ experiences seeking financing for their businesses and these pages became the dataset used in subsequent analysis.

Our interpretive analysis broadly followed the open coding techniques of grounded theory development forwarded by Strauss and Corbin (1990). Analysis began with a careful and rigorous construct coding of each informant’s narrative at a level of analysis close to the voice of the respondent (Van Mannen 1979). These constructs were linked with one another according to the flow and discourse of the narrative. This process followed a constant comparison method of interpretation to ensure that construct codes were well grounded in the voice and lived-experiences of the participants (Strauss and Corbin 1990). The coding process produced more than hundreds unique meaning constructs. As common elements were encountered again and again, constructs were collapsed into categories and again into overarching and collective themes. These themes in turn were traced back to undergirding and embodied deep metaphors. Then these metathemes were juxtaposed across racial/ethnic groups to identify the emergent insights identifying the differing reactions to restricted choice experienced by the various consumers studied. Since minority entrepreneurs have the greatest vulnerability to restricted choice, we will seek a deeper understanding of the experience of consumers’ restricted choice by comparing the experiences of minority vs. majority entrepreneurs. Through this analytical method, the experience and outcomes of consumers’ experiences of restricted choice become more easily identifiable.

**FINDINGS**

**Seeking Entrepreneurial Financing is a Journey**

A consistent framing of the experience across all respondents was that seeking financing for a small business is a journey. Responded used metaphors such as “Getting loans is like a meandering path,” and “It’s like being stuck in traffic,” and “It’s a road race.” All of these verbatim examples point to a deeper and commonly experienced framing as a journey. Journey is a deep metaphor or universal orientation that these consumers use to understand and make meaning of the experience of seeking financing for their business. In fact a multifaceted view of this journey lies at the intersection of the deep metaphors of journey, resource, and forces. For all respondents, seeking entrepreneurial financing is a journey for resources that requires resources. Like other life journeys, this one has starts and stops, detours and differing destinations where the respondent encounters a myriad of forces (both human and nonhuman) along the way that can hinder and further progress along the journey.

When comparing the ZMET findings of minority informants it was no surprise that there were general references to journey that coincided with those entrepreneurs belonging to the majority class including, being stuck in traffic, climbing Mount Everest, and a convoluted set of crisscrossing railroad tracks. Further analyses revealed, however, stark differences in the specific characteristics of the journey in minority experiences, in particular with the nature of the adversity encountered (i.e., slight detours vs. major vs. impenetrable obstacle) and the supporting and conflicting cast of relationship partners (i.e., mentors vs. villains).

**Divergence in Findings #1: Restricted Access to Resources**

In the English language, money is often metaphorically referred to as being water-like. Coupled with the deep metaphor of movement, money, as a financial resource, is endowed with movement qualities that enable money to “run” and “flow.” Within the context of our study, both minority and non-minority informants described their experiences and aspiration for financing their business as tapping into a “financial pipeline.” Reference to water slides, drinking fountains, faucets, pipelines, and irrigation were mentioned and repeated across our comparison groups. Imposing a direct juxtaposition of the use of these metaphors across the groups yields an interesting pattern of deeply-held beliefs and attitudes of the availability of resources. Non-minority informants expressed their fortune or future goodwill of tapping into a “well” of financial abundance. For example:

“Well it’s a pipeline, financial pipeline, and in my perception of just how it worked out, generally it was a fairly easy process and it was easy to come to a choice.” (White – Male)

“There’s a drinking fountain, or at the perfect time there’s help and resources.” (White – Male)

“He’s in the Sahara Desert…. If he didn’t have any money to buy water, he didn’t have any money to buy a vehicle, or a camel, or whatever, once he goes to the bank and secures the financing, then he can go purchase those other goods to complete his mission or his operation or move the business.” (White – Male)

These representative quotes describe a pattern of attitudes and beliefs of an open, unencumbered flow of financial resources. This open access to capital resources provides white owners with a safety net. It was repeatedly stated that the perceived safety that resources provides is having the working capital that permits acquiring the materials, equipment, real-estate locale and other critical infrastructure to grow and expand the business. Access to resources provides white owners with a sense of freedom and self-efficacy that they can use to pursue personal and family wealth unencumbered and unconstrained by the resource scarcity that may hinder other entrepreneurs.
Divergence in Findings #2: Fettered Relationships with Financiers

The second divergent finding in these data is the “fettered” versus “unfettered” nature of the relationships that business owners have with financial institutions. These themes emerged from the distinct positive emotions expressed by white owners to characterize their relationships with their financial “partners” compared to the negative emotions minority owners used to describe their financial “villains” or adversaries. White informants presented pictures of individuals seated together as teammates on the sidelines of a sports team’s bench, individuals embracing one another in a hug, and holding together a leash to a dog. These images provided a starting point for white owners to describe the nurturing relationships they have with their bankers.

“There’s a good warm fuzzy feeling to connect with someone at a bank that you feel is really interested in me and my business and their efforts and follow through back up that stated interest.” (White – Male)

“Because it doesn’t matter what we need, he comes through. He makes it happen.” (White – Female)

“I see it as my banker standing at the edge of a cliff with a rope and I trust him to pull me up. Because he is an advocate and can be an advocate.” (White – Male)

“I have a good relationship with him, I’m standing beside him, and I have a leash in my hand and he has a leash in his hand, and we’re partners in controlling that dog.” (White – Male)

The photographs and expressions minority informants used to describe their relationships with bankers was much more negative and adversarial. For example, pictures of individuals in rage and fighting were common reference points to describe the distrust and negative standing with banks.
“I don’t trust the institutions because they got the weapons and the hand shake at the same time…, they have a hand shake on one hand and a meat cleaver on the other.” (Hispanic – Female)

“I feel that the banks have a gun to you. And you have to go like this and you have to… you have no choice. They got a gun, they got a loaded gun. They control your credit, they control your funding for your business.” (Hispanic – Male)

“I have this army of people behind me and I notice that what I’m doing is I’m fighting an unseen enemy. I’m just getting splattered!” (Black – Male)

“You take a pounding. It’s a struggle. It’s literally getting up in there and just fighting against a Mike Tyson. Hopefully you come up with a good blow and knock the crap out of him.” (Hispanic – Male)

Taken together, these representative verbatim comments (along with with others in the dataset) paint a fettered relationship with financial institutions from the point of view of the minority informants. Couched in the historical grounding of institutionalized slavery practices that occurred in the Spanish and African slave trade, Black and Hispanic informants project these culturally embedded slavery metaphors on their perceived relationships with financial institutions. There are widespread references by minority owners of being bound by chains and shackles, handcuffed, feeling strapped down, and played with like a puppet as they voice their experience in what they perceive to be fettered relations. For example:

“So you feel here, like, you try to break those different chains, those different obstacles during that process. And basically you are trying to push, to push, to break those chains.” (Hispanic – Male)

“I feel handcuffed and constrained by the fact that whenever that’s (financing) put on the table, you always have to personally guarantee that.” (Black – Male)

Juxtaposing the fettered perspective of minorities to that of White owners reveals an unfettered freedom. White informants discussed a sense of freedom knowing that you have are able to call upon banks when needed and receive the desired outcome. One White owner described how through her relationship with her bank gives her freedom.

“Strong… you were ready to take on the world, which is how you feel when somebody does give you the money.”

“It goes back to the rock picture, just the empowering fresh start time to make whatever goal, whatever your financing needs are, whether it’s to buy software or marketing campaign or whatever it is. It’s just like this feels good, a fresh start, wash your face, and a new day…. It feels refreshed.” (White – Female)

To further understand the differences in the relationships with bankers, we conducted a thematic analysis of the closing vignettes that were solicited as part of the ZMET method. Informants were invited to present a mini-drama in the form of a narrative, play, or movie. They were instructed that they needed to cast themselves into the mini-drama and could decide upon other characters, the plot, setting, etc. It is fascinating that several of our respondents, both minority and non-minority chose to describe a vignette of “Gladiators in the Coliseum.” In their vignettes, White and minority owners described financial institutions as the emperor Julius Caesar and that orchestrating the gladiator battles in the coliseum for his own pleasure and enjoyment.

“The bank is like the big Caesar guy who’s kind of putting on the show for his enjoyment.” (White-Male)

“But sometimes you feel like the Romans in this very big coliseum…. You are down with the lions and, the emperor is up there watching you…. (Hispanic – Male)

They (the banks) are running the gladiator tournament. And for the reason that they’ve got all these people that are supposedly powerful gladiators fighting against each other, and they don’t really care if one of them dies because they’re selling admission to the seats.” (White – Male)

A careful analysis of the roles and relationships between the characters of the vignettes yielded insights to the relationships different entrepreneur consumers have with financial institutions. First, describing themselves as the hero gladiator, Maximus, white owners described their own possession of sufficient self-determination to alter the tragic outcome of going up against the lions and other foes.

Maximus is out there fighting. Obviously Caesar has his goal and his agenda, he also has the power and the past success to have confidence in his agenda. He’s going to say, I know exactly the way this is going to go, and I’m going to be mad if it doesn’t go that way. Well Maximus has the confidence down on the field to change the plan.” (White – Male)

In contrast, minority owners view themselves in the precarious and dangerous position of being in the coliseum with lions and facing a likely doom while spectators are cheering for the opposition to destroy them. This juxtaposition of the metaphor describes a much less optimistic and efficacious resolve among minority owners.

The slaves, they were down with the lions just for entertainment. You feel sometimes like that. Like you are the clown down there, fighting the lions, and there’s a lot of people watching you to see if you will survive or not.” (Hispanic – Male)

Most of the people are looking for your destruction…. They (the banks) say, ‘no, we’re lions, you’re not, so we’re going to tear you to pieces.’” (Black – Male)

Divergence in Findings #3: Being Alone

One particularly poignant contrast between minority and non-minority entrepreneurs was the descriptions or contra-descriptions of being alone. Minorities entrepreneur consumers expressed much more profound feelings of loneliness and dysphoria in managing their ventures than did white owners. One white owner noted:

“You’re not alone and I think there’s other people in the boat…. You’re certainly not alone, you can’t do it alone. You have a great team behind you and they’re in the boat with you. They’re all for it. But they’re looking to you.” (White – Female)

In contrast, a minority entrepreneur consumer noted:

“I feel disconnected. Again, I see myself and wonder what am I doing wrong? I feel like I am the only one who’s going through this. I feel kind of withdrawn to myself and I’m questioning myself again. I feel disconnected from the world.” (Black – Male)

Echoed throughout minority informant interviews were metaphors and expressions of loneliness. This dysphoria results from a hopelessness that comes from hitting up again and again against the structural and psychological barriers that restrict their consumption choices to procure financial
products that will allow them access to the resources they need to enable business survival. For examples, minority entrepreneur consumers compared their feelings in the wake of constrained financing choice to being “trapped alive” under earthquake rubble, stuck alone in a box, lost at sea, and in a hospital bed with a busted skull. One informant described this feeling as drowning and sinking in a body of water while financial institutions were slowing pulling the lifesaving ring away from them. Other informants described their feelings as being rejected, denied, and ashamed. One respondent said:

“I know friends of mine who have lost their business because of lack of funding and they’ve committed suicide. There are times I even, myself as a business owner, I’ve thought, “Should I just end my life?”” (Hispanic – Male)

Divergence in Findings #4: Discrimination

We explored these sentiments more deeply as we analyzed the data for mentions of structural barriers in marketplace access to financial resources. Consistent with the conclusion drawn by Viswathan and Rosa (2007), we found evidence from our data that resource-constrained entrepreneur consumer are vulnerable to ethnic discrimination. While the narratives of minority entrepreneur consumers described perceptions and experiences of racial discrimination, non-minority respondents never mention race or discrimination in any way. One informant provided a sketch of two people standing behind a metal and glass barrier watching a large group of people that are waiting to enter into a building. When asked to describe how the picture reflected their experiences seeking financing for their business, the informant described the following metaphor and image:

“Funding is being provided to other types of companies…. bank loans, lines of credit, those credit cards, those kind of things. I sort of look at it to a large degree as, here I am over here doing the same thing and doing better things, but I’ve not been invited to the party and to participate. I’m sort of over here on the outside, looking in…” (Black – Male)

Other respondents described their experiences and feelings of discrimination and social injustice:

If you expanded [the frame of the picture] there were other pockets of people that were on the outside, then I would think that those other pockets of people are my race, disproportionately my race, whereas every other race is sort of inside there having been invited to the party. Yep, wishing they could get into the party.” (Black – Male)

Similarly another Black informant presented a picture of seats in a theater with the tagline, “Get a front-row seat.” Projecting his financing experiences using this picture elicited the feelings of frustration felt by this minority entrepreneur consumer he has tried to gain a seat at the white-majority corporate banking table.

“I’m in the back, trying to get up to the front….I’ve actually sat down with all the bank managers at one point in time saying, ‘Guys, I’ve worked for your banking corporation for over twenty years. I said if you check your records, I’m probably your longest term minority certified businesses that’s shot [i.e. photographed] for you, who’s done work with your corporation. And I can’t get any kind of consideration for anything.’” I said, ‘I can’t even get a secured credit card from you guys. I said, if you can’t help me develop some kind of financial relationship with you other than you just taking my money and clearing it, what’s going on?’” (Black – Male)

Due to their racial and ethnic minority status, other informants described the challenge it is for them to get past the gatekeeper of financial resources.

“So he’s letting all these cars pass, and he stops these two. And that’s how I feel about sometimes getting financing because I see some people getting loans, and the gatekeeper lets certain people get loans, and they stop others from getting loans.” (Black – Male)

“Even if I break that lock, even if I get that door to open, it’s going to be that dribble.” (Black – Male)

“I came here fifteen years ago and he, the person born here knows how to maneuver things, and they can go and then tackle the issue with laws and all this stuff. But some of us, you know, they tell you anything. You try to pursue it, hey, they will not give it to you. They will not give it to you. You move on. You can’t fight. You can’t do anything. … You feel less of a human being. You say, we are all human beings. We all go to bathroom together, we all drink… How come…? What is wrong with me? You look at yourself and say, what is wrong with me? God… Sometimes you have to, if you’re a believer, you have to still question God.”” (Black – Male)

CONCLUSIONS

Minority entrepreneur consumers relate a host of negative reactions in the wake of the experience of restricted choice. For them, choice is a fundamental goal and an inseparable component of the entrepreneurial freedom that they long to enjoy. It is the dream; the destination on their journey. The journey of seeking to consume financing for their business is an essential step in a much larger and longer life journey. However, these consumers encounter a series of debilitating forces along that journey that dam their progress and restrict their choice to purchase financing (through their securitization and interest payments). In the wake of these experiences, they endure a host of negative outcomes detailed herein. The cataloging of these outcomes mark an important first step in the process of understand consumer reactions to the experience of constrained choice in the marketplace.

From a TCR perspective, these results suggest several intervention strategies:

1. extend broader “consumer protection” to small-business customers
2. Improve the credit/financial education of minority business owners.
3. Provide economic incentives (e.g., tax credits) to business owners that mentor minority start-ups.
4. Create stronger social networking opportunities for minority-owned businesses.

Taken together, these results present an inaugural step in theory building in this area and a series of grounded recommendations to make transformative impacts in a consumer context where inequities currently exist.

REFERENCES
Creative Deviance Among Subsistence Consumers: Theory and Practice Implications
Jose Antonio Rosa, University of Wyoming, USA*

ABSTRACT
This research extends the notion of creative deviance (Mainemelis 2010) into subsistence markets and expands its underlying theoretical and practical arguments. In particular, it explores how subsistence consumer merchants decide on which norms to uphold and which to violate in their pursuit of solutions to daily problems, and the relationship between deviance and innovativeness through cognitive and emotion mechanisms. Creative deviance has been recognized as contributing to creativity in organizations and communities, and is likely to be a factor in subsistence markets. The complexities of subsistence survival, however, add factors to what must be considered by scholars and practitioners seeking to unleash and channel creativity as a transformative force.
Intertemporal Consumption among the Rural Poor of India
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ABSTRACT
Decision making by consumers below the poverty line is investigated among rural women in India. The topic was studied using recorded in-depth interviews along with a structured questionnaire. Results reveal that consumers give higher weight for personal, followed by social, and then by investment expenses. The findings have important implications for public policy makers and marketers.
Post-disaster Consumer Coping: Consumption Adjustment
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ABSTRACT
This study examined post-disaster consumer coping with a focus on constructive coping behavior, consumption adjustments. The research model was developed by integrating Social Cognitive Theory and the Conservation of Resources frameworks utilized in a variety of disaster situations. A self-administered paper survey was conducted to elicit responses from people affected by hurricanes Katrina and Rita three months after the disaster happened. Structural equation modeling was applied to test research model and hypotheses. Results showed, during the process of post-disaster recovery, factors such as the loss of possessions and financial constraints can have an impact on consumers’ coping self-efficacy and their engaging in active coping strategies. This, in turn, leads to consumption adjustments. Implications for retail business and practitioners and further research are presented.

INTRODUCTION
Each year, natural disasters adversely impact approximately 2 million people in the United States (U.S.) alone (almost 1 out of every 40 households). Approximately 30% of individuals in the U.S. can expect to be exposed to one or more natural disasters in their lifetime (Green and Solomon 1995). The devastating impact of such a disaster was experienced in 2005, when Hurricane Katrina slammed into the Gulf Coast on August 29. Experts estimated Hurricane Katrina to be the costliest and one of the deadliest hurricanes in American history, with substantial short- and long-term effects on the economies of southern Louisiana and Mississippi (National Hurricane Center 2006). The home returning was a challenging experience, partially owed to the scarcity of the economic and social facilities necessary for basic consumption needs. Thus, while many people survived the disaster, the disruption of “everyday life” gives rise to a wide range of post-disaster issues.

Thus, there is a need for focus upon a significant, yet minimally studied, aspect of the overall constructive consumer coping process – consumption adjustments. The consumption process is an integral facet of each individual’s overall coping responses (Moschis 2007), since it is a concrete process that enables each individual to deal with the loss of resources, or resource inadequacy, on a daily basis (Ang 2001). While psychological coping processes are certainly important, any adjustments in the consumption process can have a profound impact upon quality of life and consumer well-being in both the short- and long-term (Milanova 1999; O'Donohoe and Turley 1999; Sayre 1994).

Daily consumption touches every level of the consumption needs. Tension that is created each-time there is an unsatisfied consumption will be aggregated to a significant level, which may be outside of an individual’s capacity to cope. This may eventually cause long-term mental and physical problems. Understanding coping from a consumption perspective may fill two key gaps in the extant disaster literature: (1) consumption coping strategies that can be supported among the general population, and (2) an effective and efficient means for public/private support for these coping efforts, particularly for proactive efforts among the retailing facilities.

To this end, this study attempts to examine individuals’ coping self-efficacy, as well as active coping strategies and consumption adjustments in the process of post-disaster recovery. The next section describes the conceptual model of consumer coping with a post-disaster aftermath (see Fig. 1), the hypotheses, and the methodology. Finally, the empirical results are presented and the implications for retail businesses, consumers, and practitioners, as well as further research, are discussed.

THEORETICAL BACKGROUND AND RESEARCH MODEL
The research model was developed by integrating Social Cognitive Theory (SCT) (Bandura 2001) and the Conservation of Resources (COR) (Hobfoll 1989) frameworks utilized in a variety of disaster situations (Benight and Bandura 2004; Sumer et al. 2005). According to SCT, individual’s reactions to severe stress caused by resource losses (at both the micro/individual and macro/public levels) are significantly influenced by the self-appraisals of one’s ability to cope with environmental demands (i.e., Coping Self-Efficacy). SCT assumes that individuals are self-reflective and intermittently involved in a self-evaluative process that guides their behavior towards their desired pursuits (e.g., the recovery of lost resources and returning to normal lives). Therefore, coping self-efficacy mediates the individual consumer’s coping strategies and coping behavior (i.e., consumption adjustment).

A unique aspect of this research is the interjection of consumer-based coping reactions for the more typical measures of psychological distress. The proposed conceptual framework, as illustrated in Fig. 1, incorporates the basic elements of loss of possessions, financial constraints, coping self-efficacy, coping strategies and consumption adjustments.

Consumer Coping: Consumption Adjustments
Lazarus and Folkman (1984) defined coping as the “cognitive and behavioral efforts to manage specific external and/or internal demands that are appraised as taxing or exceeding the resources of the person” (p. 141). Thoits (1995) referred to “those environmental, social, or internal demands that are disruptions of previously more or less balanced (homeostatic) states” as stress (p. 54). Accordingly, individuals have to readjust, or change their usual thought and action patterns by responding to various demands and circumstances. Here, adaptation entails the processes of stress and coping (Moschis 2007). Stress can be created from many life events, transitions, or strains that a person experiences. These create disequilibrium and generalize the demands for readjustment. As a result, an individual changes to establish a new life balance (Gierveveld and Dykstra 1993; Mathur, Moschis, and Lee 2008; Moschis 2007).
Changes in consumption occur as a result of consumer coping responses to life events, transitions and psychological and financial strains (Mathur et al. 2008). Various studies have illustrated that consumers readjust their consumption orientations, including developing compulsive andulsive consumption and materialistic attitudes (e.g., Rindfleisch, Burroughs, and Denton 1997; Roberts, Manolis, and Tanner Jr 2003; Sneath, Lacey, and Kennett-Hensel 2009) and patterns of information processing (John 1999), to cope with different types of stress brought about by experiencing life events or disasters (Sneath et al. 2009). For instance, Sneath, Lacey, and Kennett-Hensel (2009) recently studied Hurricane Katrina affected consumers. Their study illustrated that the disaster-induced stress led consumers to impulsive and compulsive buying behaviors, as coping responses to manage their emotional states, recoup losses, and restore their sense of self. Even though impulsive buying appears to be a rational and beneficial behavior for consumers to cope with the post-Katrina aftermath, it only provided short-term relief from negative emotional states (Hirschman 1992). Since compulsive buying is conceived of as an addiction to acquiring products and is viewed as excessive, continuous, and beyond the person’s control (Hirschman 1992), it is oftentimes considered a negative coping consequences characterized by a chronic loss of control (O’Guinn and Faber 1989).

Consumption-based coping does not always lead to a temporary or chronic loss of control. When faced with economic challenges, or a lack of resources, consumers cope with hardship by changing their established purchasing patterns with an effort to reserve resources. For instance, studies have illustrated that consumers tend to be less wasteful, by weighing and discussing their purchase decisions more often with their spouses, becoming more knowledgeable about various products and brands, and judging products and services more wisely (Ang et al. 2000; Shama 1981). In addition, the consumption of luxury goods will be highly affected by the hardship. While their consumption of necessities is less affected, consumers tend to switch from known brands to generic brands and turn towards buying in bulk for cost savings (Ang et al. 2000). Studies have also showed that economic hardship affects a consumers’ store selection (e.g., cheaper stores will become more popular) and shopping habits (e.g., consumers tend to window shop more) (Ang et al. 2000; Lee, Moschis, and Mathur 2001). Other research on consumption under economic distress has found that individuals tend to rely less on paid services and conduct repairs and other maintenance work by themselves (Milanova 1999). Overall, consumption adjustments reflect consumer coping efforts on having control in an attempt to conserve personal resources for restoring a disrupted equilibrium. Therefore, compared with impulsive and compulsive buying, conservative consumption adjustment can be viewed as a more contrastive coping behavior.

**Consumer Strategies: Active Coping**

Coping can take on a myriad of forms (e.g., cognitive, attitudinal, and behavioral). When faced with forces that adversely affect people, they do not remain passive, but instead actively react by employing a variety of coping strategies (Pearlin 2010). Generalized from the diverse consumer phenomena, Duhachek (2005) offered a more comprehensive conceptualization of consumer coping. Duhachek empirically found support for a three-dimensional higher order structure for coping strategies comprised of active (cognitively or behaviorally takes action), expressive support-seeking (seeking support from others or expressing one’s emotions), and avoidance coping (denying or avoiding the stressor completely). Among the three dimensions, active coping strategies not only involves an emotional approach, but also tangible responses and behaviors, including action, positive thinking, and rational thinking.

Furthermore, various studies have reported that individuals engaging in active coping are less often depressed and functionally impaired. In addition, they have a higher general self-efficacy, compared with those using other coping strategies, such as passive coping or avoidance coping (e.g., Broadbridge 2002; Brown and Nicassio 1987). Active coping strategies are frequently examined as the antecedents of emotional consequences, such as stress amelioration, or cognitive perceptions. As a result, it is reasonable to assume that engaging in active coping leads to constructive behavioral coping responses, namely, consumption adjustments.

**H1:** When consumers employ active coping strategies, they will be more likely to engage in consumption adjustment.

**Coping Self-efficacy**

According to Bandura (1977), self-efficacy is a person’s belief in their efficacy to exercise control over events that affect their lives. A sense of efficacy is the foundation of the human agency. It regulates human functioning to buffer stress and depression, as well as promote resilience to life adversity (cf., Benight and Bandura 2004).
Self-efficacy exerts effects on human functioning in a variety of ways. One of the approaches for self-efficacy to manage intense stressors is by shaping the way people perceive and process potential threats via raising their sense of control. People who believe potential threats or stressors are manageable, perceive an experience with less adversity (Ozer and Bandura 1990). The other major way in which self-efficacy makes use of its effects on socio-emotional functioning processes is through facilitating individuals to muster and carry out their coping efforts to transform undesired environments into what they prefer (Benight and Bandura 2004). Therefore, in terms of coping outcomes, self-efficacy not only exerts its effects on reducing posttraumatic reactions, but also on sustaining efforts for engaging in active coping strategies.

**H2:** When a consumer has high coping self-efficacy, he or she is more likely employ active coping strategies.

### Loss of Possessions

The Conservation of Resources (COR) (Hobfoll 1989) proposed that psychological distress following a disaster can be predicted by the extent of the resource loss. This loss prompts coping attempts by utilizing other intact resources to regain what was lost. The COR theory accentuates four types of resources: tangible objects (e.g., house, car), environmental conditions (e.g., employment, family situation), personal characteristics (e.g., sense of self, self-esteem), and energies (e.g., time, motivation). Several studies have utilized the COR theory to explain how the loss of various types of resources, after a natural disaster, have affected victims’ ability to cope with the devastation, both emotionally and behaviorally (Freedy et al. 1992; Sattler 2006).

Consumer research has indicated that people regard possessions as extensions of themselves (Belk 1988). A loss of possessions may not necessarily cause serious long-term economical hardship if the individual has insurance to recover what was lost. However, the meaning, or personal identity, attached to the lost possessions cannot be repossessed or replaced (Sayre 1994). Consequently, a loss of possessions may cause economical distress, or, more seriously, the emotional stress of losing one’s sense of self (Sayre 1994). This, in turn, causes taxing situations. Under such a circumstance of losing one’s self-definition, due to a loss of possessions, an individual’s self-appraisal of his or her ability to cope with environmental demands will be significantly weakened.

**H3:** Consumers experiencing a higher extent of loss of possessions will exhibit a lower coping self-efficacy.

### Financial Constraints

Research has documented that psychological and physical recovery following a nature disaster depends on the degree to which the individuals can reverse the losses suffered (Benight et al. 1999a). Among the different resource types, financial resources may be the most fundamental and instrumental (Benight et al. 1999a). A consumer's financial resources compose a very important part of their living situation and well-being (Krause, Jay, and Liang 1991; Prawitz et al. 2006).

Individuals, as consumers, need financial resources, not only to satisfy their basic physiological needs, but also to deal with the temptations the marketplace has created for consumer goods, such as the desire to have what they want (Szmigin 2003). The magnitude of the stress created by meeting different needs partially depends on the degree of financial constraints caused by the lack of financial resources that consumers are currently experiencing.

Experiencing severe financial constraints for a long period of time may cause psychological and physical stress. A consumers’ capability to reverse all kinds of losses partially depends on their available financial resources. Consumers with better financial situations should have a higher confidence in their ability and capacity to exercise control over the events that affect their lives. Research shows that consumers will more likely adjust consumption to conserve resources when they experience higher financial constraints (Ang et al. 2000; Shama 1981; Zurawicki and Braidot 2005).

**H4:** Consumers experiencing higher financial constraints will (a) have a lower coping self-efficacy and (b) more likely engage in a consumption adjustment.

### RESEARCH METHODS

**Sample**

Hurricane Katrina was one of the single most catastrophic natural disasters in U.S. history since it had substantial short and long term effects on the economies of southern Louisiana and Mississippi (Cashell and Labonte 2005). The scale of Katrina’s impact left a widely varying landscape, with almost all levels of lost resources coupled with public and private infrastructure damage. As a result, from a strictly academic perspective, post-Katrina New Orleans provides a unique situation for understanding consumer coping on a wide scale basis. Therefore, we chose to recruit research participants from the residents that have returned to living in the Katrina-affected areas of New Orleans.

A self-administered paper survey was conducted to elicit responses from people affected by hurricanes Katrina and Rita three months after the disaster happened in 2005. The convenient sample frame for this study comprised of 223 Louisiana Gulf Coast residents directly affected by the two hurricanes. Participants were recruited through two approaches. Non-student participants were recruited through colleague students from disaster affected areas (New Orleans, Mississippi) studying at a major university closed to New Orleans. Participant recruitment was announced at classes. Students with family being affected by Katrina and Rita volunteered bring surveys back to their family to get research response. College student respondents were recruited through a university in the city of New Orleans. Even though student respondents constituted almost one-half of the respondents, all participants lived and attended school in the affected area.

Demographically, the respondents were predominantly female (69%) and Caucasian (65%). The majority of respondents (65%) were between 19 and 24 years old, while 23% of the sample was over 45 years old. Approximately half of the respondents (47%) (College students) lived in the affected area for less than three years, while 33% lived there for over ten years.
SURVEY DESIGN AND MEASURES

The survey questionnaire was developed based on reviewing the previous literature and the study objectives. It was consisted of five separate sets of questions: (a) loss of possessions and financial constraints, (b) coping self-efficacy and active coping strategies, (c) consumption adjustments, and (d) demographics. Pre-testing of the questionnaire was performed with students at a large southern university located near the affected area. Table 1 outlines the constructs and the source of measurement utilized in the questionnaire.

Measures employed in the survey consisted of augmented scales developed from established scales, literature reviews, and the exploratory qualitative phase of this study. All research constructs were measured by multi-item scales. The loss of possessions scale consisted of 3 items (clothes, residency, and sentimental possessions). Respondents indicated the extent of losses on a 5-point Likert scale (0 = no loss; 4 = extreme amount of loss). This scale was adapted from a multi-dimensional scales of losses of resources developed by Freedy et al. (1994; 1992) and tested in a context of Hurricane disaster by Benight et al. (1999b). We only took one dimension of material losses to assess possession loss. Financial constraints was measured using a 3-item index adopted from (Vinokur et al. 1996), based on the answers to three questions with 7-point rating scales (1= strongly disagree, 7= strongly agree). The questions asked: "How difficult is it for you to live on your total household income right now?", "In the next two months, how much do you anticipate that you or your family will experience actual hardships such as inadequate housing, food, or medical attention?"; and "In the next two months, how much do you anticipate having to reduce your standard of living to the bare necessities of life?" (Vinokur et al. 1996).

Coping self efficacy was assessed using a scale developed by Benight and Harper (2002). Benight and Harper tailored the self-efficacy scale to the aftermath of a natural disaster. Respondents were asked to indicated the level of confidence they feel in dealing with post-disaster issues on 5-point Likert scale (1= not at all confident; 5 = totally confident). To assess consumption adjustments, we applied Ang et al.’s (2001) measurement of consumption adjustment as the basis. These items were modified for the purposes of understanding the ‘reduced or downsized’ constructive consumption adjustments. Participants were requested to indicated their responses to the question “Think about your current conditions after Hurricanes Katrina and Rita and please indicate how much you agree or disagree with the following statements” on a 7-point Likert scale (1= strongly disagree; 7= strongly agree).

RESULTS

Construct Validation

An exploratory factor analysis was used to examine the basic structure of scales, consumption adjustment, and active coping strategies. Nine items assessing consumption adjustment demonstrated a uni-dimensional measure. Three dimensions (action, positive thinking, and rational thinking) emerged from the factor analysis on the fourteen items measuring active coping strategies. This is consistent with the original scale developed by Duhachek (2005).

Thirty nine items measuring the loss of possessions, financial constraints, coping self-efficacy, coping strategies, and consumption adjustment were analysed via a principal axis extraction method using a varimix rotation (Anderson and Gerbing 1988). The first round of exploratory factor analysis dropped one item from coping self-efficacy and one from active coping strategies, due to low item loadings. The factor analysis resulted in a seven-factor structure of the measure consisting of thirty-seven items accounting for 70.02/% of the total variance (Table 1). All commonalities were between .50 and .90. Cronbach’s alpha for scales ranged from .87 to .93, demonstrating a good reliability of the scales.

The construct of active coping strategies was hypothesized as second order construct (Duhachek 2005). A second-order factor measurement model with three sub-factors loading into the higher order active coping strategies was tested. The goodness-of-fit statistics for the measurement model show a reasonable fit: $\chi^2_{(309)}=445.31$, p=.00, RMSEA=.045 [.035, .054], CFI=.873, and TLI=.961. Furthermore, the variance extracted by each measure exceeded the square of the respective correlation estimate between constructs, which provided evidence of discriminant validity (Fornell and Larcker 1981). Table 2 lists correlation coefficients between research constructs. Hence, the measures were deemed adequate for further analysis.

Testing Research Model

The research model was tested using the maximum likelihood method with AMOS 17.0. The results revealed the acceptable fit of the proposed structural model ( $\chi^2_{(313)}=451.933$, p=.00, CFI=.957, and RMSEA=.045 [.035,.054]) (Bollen and Long 1993). Results showed that a consumer employing active coping strategies is more likely to engage in consumption adjustment ($\beta$=.311, p <.001); when a consumer has high coping self-efficacy, he or she is more likely to employ active coping strategies ($\beta$=.197, p <.05). Therefore, H1, H2 were supported. The negative relationship between loss of possession ($\beta$= -.337, p <.001), financial constraints ($\beta_{a}= -.150$, p <.05) and coping self-efficacy were significant, providing support to H3 and H4a. Results provide support to H4b since the relationship between financial constraints and consumption adjustment is significant ($\beta_{a}= .498$, p <.001), indicating consumers experiencing higher degree of financial constraints are more likely to engage in consumption adjustment. Thus, the conceptual model was empirically supported.
TABLE 1

<table>
<thead>
<tr>
<th>Constructs /Construct Sub-dimensions/Items</th>
<th>Cronbach’s alpha</th>
<th>EFA Loading</th>
<th>CFA Loading</th>
<th>Mean/S.Dv.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Loss of possessions</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cloth</td>
<td>.90</td>
<td>.86</td>
<td>.92</td>
<td>1.26/1.44</td>
</tr>
<tr>
<td>Residency</td>
<td></td>
<td>.86</td>
<td>.89</td>
<td>1.77/1.51</td>
</tr>
<tr>
<td>Sentimental possessions</td>
<td></td>
<td>.85</td>
<td>.78</td>
<td>1.32/1.53</td>
</tr>
<tr>
<td><strong>Financial constraints</strong></td>
<td>.87</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Difficult to live on total household income right now</td>
<td></td>
<td>.87</td>
<td>.91</td>
<td>2.86/1.84</td>
</tr>
<tr>
<td>Anticipated hardships will experience in next two months</td>
<td></td>
<td>.85</td>
<td>.83</td>
<td>2.16/1.68</td>
</tr>
<tr>
<td>Anticipated extant to reduce standard of living to the bare necessities of life in the next two months</td>
<td></td>
<td>.82</td>
<td>.78</td>
<td>2.23/1.70</td>
</tr>
<tr>
<td><strong>Coping-self efficacy</strong></td>
<td>.90</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Maintaining personal security</td>
<td></td>
<td>.84</td>
<td>.78</td>
<td>3.11/1.12</td>
</tr>
<tr>
<td>Maintaining financial security</td>
<td></td>
<td>.78</td>
<td>.85</td>
<td>3.17/1.98</td>
</tr>
<tr>
<td>Maintaining intimacy and calm within the family</td>
<td></td>
<td>.75</td>
<td>.72</td>
<td>3.54/1.01</td>
</tr>
<tr>
<td>Dealing with personal losses caused by the storm</td>
<td></td>
<td>.74</td>
<td>.75</td>
<td>3.15/1.12</td>
</tr>
<tr>
<td>Going back to normal routine</td>
<td></td>
<td>.74</td>
<td>.72</td>
<td>3.25/1.15</td>
</tr>
<tr>
<td>Dealing with the emotions you’ve experienced since the hurricane</td>
<td></td>
<td>.73</td>
<td>.67</td>
<td>3.28/1.11</td>
</tr>
<tr>
<td>Dealing with the demands of clearing debris (destroyed house, downed trees, mode and etc.)</td>
<td></td>
<td>.73</td>
<td>.59</td>
<td>3.12/1.19</td>
</tr>
<tr>
<td>Dealing with all the disruption caused by the hurricane</td>
<td></td>
<td>.68</td>
<td>.59</td>
<td>2.97/1.08</td>
</tr>
<tr>
<td>Maintaining a sense of normality in my daily routine</td>
<td></td>
<td>.64</td>
<td>.65</td>
<td>3.17/1.04</td>
</tr>
<tr>
<td><strong>Active coping-Action</strong></td>
<td>.90</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Try to make plan of action</td>
<td></td>
<td>.85</td>
<td>.87</td>
<td>3.24/1.06</td>
</tr>
<tr>
<td>Generate potential solutions</td>
<td></td>
<td>.85</td>
<td>.84</td>
<td>3.25/1.05</td>
</tr>
<tr>
<td>Concentrate on ways the problem could be to solved</td>
<td></td>
<td>.77</td>
<td>.84</td>
<td>3.20/1.03</td>
</tr>
<tr>
<td>Concentrate my efforts on doing something about it</td>
<td></td>
<td>.76</td>
<td>.78</td>
<td>3.51/1.01</td>
</tr>
<tr>
<td>Follow a plan to make things better-more satisfying</td>
<td></td>
<td>.70</td>
<td>.69</td>
<td>3.33/1.02</td>
</tr>
<tr>
<td>Think about the best way to handle things</td>
<td></td>
<td>.70</td>
<td>.74</td>
<td>3.64/1.10</td>
</tr>
<tr>
<td>Do what has to be done</td>
<td></td>
<td>.55</td>
<td>.61</td>
<td>3.26/1.02</td>
</tr>
<tr>
<td><strong>Active coping-Positive thinking</strong></td>
<td>.87</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Try to make the best</td>
<td></td>
<td>.81</td>
<td>.89</td>
<td>3.42</td>
</tr>
<tr>
<td>Look for the good</td>
<td></td>
<td>.80</td>
<td>.70</td>
<td>3.17</td>
</tr>
<tr>
<td>Focus on positives</td>
<td></td>
<td>.79</td>
<td>.73</td>
<td>3.61</td>
</tr>
<tr>
<td>Look at the bright side</td>
<td></td>
<td>.73</td>
<td>.84</td>
<td>3.61</td>
</tr>
<tr>
<td><strong>Active coping-Rational thinking</strong></td>
<td>.50</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Keep feelings from controlling</td>
<td></td>
<td>.87</td>
<td>.95</td>
<td>3.16/1.12</td>
</tr>
<tr>
<td>Control emotions</td>
<td></td>
<td>.85</td>
<td>.82</td>
<td>3.23/1.13</td>
</tr>
<tr>
<td>Use restraint</td>
<td></td>
<td>.82</td>
<td>.67</td>
<td>2.99/1.15</td>
</tr>
<tr>
<td><strong>Consumption adjustment</strong></td>
<td>.93</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Careful in making decisions</td>
<td></td>
<td>.86</td>
<td>.84</td>
<td>4.09/1.63</td>
</tr>
<tr>
<td>Reduced wasteful spending</td>
<td></td>
<td>.85</td>
<td>.80</td>
<td>4.25/1.64</td>
</tr>
<tr>
<td>Think about purchases</td>
<td></td>
<td>.84</td>
<td>.85</td>
<td>3.76/1.82</td>
</tr>
<tr>
<td>Interested in value</td>
<td></td>
<td>.82</td>
<td>.80</td>
<td>4.18/1.79</td>
</tr>
<tr>
<td>Shop for “sales” more</td>
<td></td>
<td>.78</td>
<td>.78</td>
<td>3.81/1.81</td>
</tr>
<tr>
<td>More “do-it-yourself”</td>
<td></td>
<td>.77</td>
<td>.76</td>
<td>3.78/1.84</td>
</tr>
<tr>
<td>But necessities rt luxuries</td>
<td></td>
<td>.76</td>
<td>.79</td>
<td>4.03/1.68</td>
</tr>
<tr>
<td>Search for more info</td>
<td></td>
<td>.73</td>
<td>.70</td>
<td>3.30/1.68</td>
</tr>
<tr>
<td>Prefer discount stores</td>
<td></td>
<td>.69</td>
<td>.67</td>
<td>3.07/1.70</td>
</tr>
</tbody>
</table>
TABLE 2
Construct Correlations

<table>
<thead>
<tr>
<th></th>
<th>Loss of possessions</th>
<th>Financial constraints</th>
<th>Coping self-efficacy</th>
<th>Active coping strategies</th>
<th>Consumption adjustment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loss of possessions</td>
<td>.75*</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial constraints</td>
<td>.39</td>
<td>.70</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Coping self-efficacy</td>
<td>-.41</td>
<td>-.25</td>
<td>.50</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Active coping strategies</td>
<td>ns</td>
<td>ns</td>
<td>.24</td>
<td>.45</td>
<td></td>
</tr>
<tr>
<td>Consumption adjustment</td>
<td>-.28</td>
<td>.48</td>
<td>.28</td>
<td>.30</td>
<td>.60</td>
</tr>
</tbody>
</table>

a: Number on diagonal cell is variance extracted for construct

TABLE 3
Summary Of Hypotheses And Testing Results

<table>
<thead>
<tr>
<th>Relationship within proposed Research Model</th>
<th>Path Coefficient</th>
<th>H5</th>
<th>Testing Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumption Adjustment</td>
<td>← Active Coping Strategies</td>
<td>.311** (β₁)</td>
<td>H1</td>
</tr>
<tr>
<td>Coping Strategies</td>
<td>← Coping Self-Efficacy</td>
<td>.197* (β₂)</td>
<td>H2</td>
</tr>
<tr>
<td>Coping self-efficacy</td>
<td>← Loss of possessions</td>
<td>-.337** (β₃)</td>
<td>H3</td>
</tr>
<tr>
<td>Coping self-efficacy</td>
<td>← Financial constraints</td>
<td>-.150* (β₄a)</td>
<td>H4a</td>
</tr>
<tr>
<td>Consumption Adjustment</td>
<td>← Financial constraints</td>
<td>.498** (β₄b)</td>
<td>H4b</td>
</tr>
</tbody>
</table>

Mode fit indices: $\chi^2_{(313)} = 451.933; \text{CFI} = .957; \text{RMSEA} = .045$

Note: * p < .05; ** p< .001

DISCUSSION AND IMPLICATIONS

Past research has discussed how consumers cope psychologically in the face of manmade or natural disasters. Though some research exists (Ang 2001; Ang et al. 2000) regarding post-crisis coping and consumption, this study helps to establish critical understanding of the relationships between these two areas. This research also further delineates the various behavioral adjustments that consumers make, mainly in the form of reduction in expenditure and conservative decision making following a disaster. Understanding how consumer coping self-efficacy and psychological coping strategies translate into tangible conservative consumer adjustments gives marketers insight into how to more effectively respond to these situations.

The results demonstrate that when faced with possession losses and financial constraints, consumers may not possess high levels of self-efficacy to deal with post-disaster existence. However, they tend to undertake extensive consumer adjustments, especially in the form of conservative reductions in consumption to conserve resources. Buying value-based products, reducing wasteful spending, making careful consumption decisions, buying necessities over luxuries, and being more “do-it-yourself” are some of the ways consumers adjust with their new-found reality. The results also reveal that to a certain extent, possession losses and financial constraints may spur consumers to develop psychological coping mechanisms in terms of employing active coping strategy which also leads to increased consumer adjustments.

A better understanding of individual consumers’ coping strategies and coping outcomes should lead to an improved response in recovery efforts, both in the short-term and the long-term. For instance, this study aided in identifying the practical knowledge that retailers can gain to re-establish or develop their business to meet disaster-affected consumers’ consumption needs. Retailers may add more necessities and generic brands to their inventory. Customer services should focus more on facilitating consumers making choices and increasing their sense of control, as well as promoting consumer autonomy. Beyond the direct benefit of providing necessary goods and services, a stable and known retail facility creates a decision-making environment in which the consumer is motivated by more objective factors than the issues of coping self-efficacy. Thus, this study provides some direction in understanding how the business community can identify and fulfill their corporate social responsibility in rebuilding a constructive business environment (Dholakia, Bagozzi, and Pearo 2004).

One of the limitations of the study is that students attending universities in the affected areas were over-
represented in the sample (almost 50%). Although directly impacted, this group of the respondents was less affected by the hurricanes than the remainder of the sample that exhibited more substantial losses and impacts. Future research efforts should aim at gaining a better understanding of the impacts of other elements within the decision process (e.g., an information search or the importance of retailing strategy elements) that arise from disruptions to the retail facilities. In this way, retailers and public officials can address the changes in the retail mix that can help retailers fine-tune their strategies to better cater to consumers’ changing needs. After all, both community recovery and a healthy business environment are critical for rebuilding areas impacted by a natural disaster. In addition, we recommend that future studies examine whether the degree of the consumers’ consumption adjustment will change alongside the process of recovery. Such knowledge could provide direction to business communities and public policy makers to dynamically adjust their practices based on the consumption needs among the affected general population.

REFERENCES


Zurawicki, Leon and Nestor Braidot (2005), "Consumers During Crisis: Responses from the Middle Class in Argentina," *Journal of Business Research*, 58 (8), 1100-09.
EXTENDED ABSTRACT
The consumer research literature on death and consumption over the last few decades demonstrates valuable insights into theories and practices of how consumers manage the death experience of loved ones and the rituals which accompany this fundamental rite of passage (Turley, 1998; O’Donohoe and Turley, 2000; Bonsu and Belk, 2003). However, research that explores death consumption in an Asian context is still missing in the literature. Furthermore, no research in the field to date has examined rituals specifically focused on symbolic exchanges between the living and the dead. Our paper, therefore, attempts to break new ground in two areas of inquiry: firstly, we examine the ‘simulation’ of life-in-death and the understanding of death as an exchange relationship “in which the determinacy of the subject and of value is lost” (Baudrillard, 1993, p.5). The paradoxes of giving to the dead while also placating them with ‘nothing’ during these festivals is explored through a framework which recognises that consumption can be enacted not only through socially visible and accepted rituals of exchange (Bonsu and DeBerry-Spence, 2008; Bonsu and Belk, 2003; Langer, 2007) but also within liminal spaces which operate to keep the social order and hierarchies between the living and the dead intact.

Secondly, we offer a preliminary analysis – using online video clips – of how rituals of exchange and communion occur between living and liminal beings. The ontologically liminal status of the ‘dead’ in this case is extensively analysed for the first time in terms of they come back to the realm of lived consumption from another space and time. A key pivot of our research in this regard is the concept and figure of the ‘ghost’. In itself a liminal construct – straddling the worlds of the living and the dead, the ‘being’ and the ‘nothing’ (L’Yvonnet in Baudrillard, 2009, p.4). – the ‘ghost’ figures prominently in ritualised and deeply paradoxical rituals of mass celebration, consumption, fear and dread in East and Southeast Asian societies. The implications of such a critique have, therefore, never been realised in consumer culture theory (CCT) research.

To operationalise our research, we employ cultural semiotics to examine the ‘Hungry Ghost’ Festivals in two Buddhist-influenced Southeast Asian countries: Thailand and Singapore, two geographically proximate but otherwise - in terms of religion, social culture and language - highly differentiated societies. These two sites have been deliberately selected for a comparative perspective on the inter-animations of Taoist and Buddhist ritualisations of the exchange process between the living and the dead.

Our main goal is to confront the theoretical challenges which such an exchange poses for CCT researchers. There is currently an overwhelming emphasis in the literature on death as the annihilator of material life, and by extension, of the ability and need to consume altogether (Seale, 1998; Bauman, 1998; Ariès, 1978/1981). Thus, the death of a loved one causes terror as well as sorrow because one’s identity is profoundly bound up with that of the one who has died (Bonsu and Belk, 2003). Baudrillard (1993, p.47) offers his view on the root cause of this emotional dislocation as a cultural practice: “Our whole culture is just one huge effort to dissociate life and death, to ward off the ambivalence of death in the interests of life as value, and time as the general equivalent”. The dead are also assumed in the Western tradition to be free of the desire to consume although the living invest their material possessions with symbolic meanings of one kind or another (Belk et al., 1989; Gentry et al., 1995). That is to say, only the living consume, or, as Borgmann famously said, “To live is to consume” (2000, p. 418). A secondary aim of our paper, therefore, is to examine how these two paradigmatic assumptions in the Anglo-Saxon tradition are troubled by evidence from Asian contexts of post-death festivals, death consumption and exchange (see Arnould, 1989). Finally, we want to question how simulated rituals of death consumption govern how death is produced and consumed in postmodern Asian societies (Baudrillard, 1994).

Our arguments are guided throughout by theories derived from anthropological and philosophical understandings of liminality, subversion and symbolic exchange. These frameworks, in our view, combine admirably with recent theorisations of consumption culture for two reasons. Firstly, religious/anthropological studies are richly animated by empirical data from diverse cultures, including the ones we want to study in this paper. Secondly, a multidisciplinary approach offers a much more powerful heuristic tool for reconfiguring how we, as consumer culture researchers, conceptualise subjects which occupy a nebulous, ambiguous and epistemologically complex space between the living and the dead.

REFERENCES


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Over the last decades, scholars gathered a large amount of information on consumer aspirations such as desires, dreams, and goals (Bagozzi and Dholakia 1999; Belk, Ger, and Askegaard 2003; d’Astous and Deschenes 2005), but the existing literature only focuses on “average”, “healthy”, aspiring consumers. Our current knowledge of vulnerable consumers’ yearning is still highly limited.

Generally speaking, it is argued that fantasizing about other places or lives is one of the major mechanisms to coping with vulnerability (Baker, Gentry, and Rittenburg 2005). Consumption has the power to displace meanings, or to remove them from the daily life to relocate them in a distant domain (McCracken 1988). Hill (1991) has further implied that dreaming may vary depending on the context of vulnerability experienced by the consumer. That being said, we have no detailed understanding of the deep relationship between aspirations and vulnerability and of how vulnerable consumers experience their aspirations through their difficult life contexts.

By studying the dreams of critically ill children, we propose to explore the relationship between aspirations and vulnerability. This research answers the following questions: What are the dreams of critically ill children? How does their illness relate to their dreams? What does dreaming mean in their context? This short paper focuses on the relationship between illness and dreams.

LITERATURE

In Canada alone, 4,000 children are diagnosed with a life-threatening illness each year. These critical situations become major disruptions to families’ biography (Becker 1997). The unexpected exposure to this type of illness sends a shock wave that deeply affects and dislocates one’s relationship with time. Indeed, illness introduces disruption by defying orderliness; people experience the time before their illness and its aftermath as two separate realities (Becker 1997). Families who face the threat of a serious illness strongly focus their energy on the here and now of the illness and its potential ramifications. In face of terminal illness, Bluebond-Langer (1978) further argues that the parental urge for rearing can ultimately lose its meaning and consumer (and other) projects involving the child’s future can be postponed and even become unattractive (“why should I think of sending my child to this private school, since he might not...”). Consequently, their self-identification as consumers takes on a different meaning – consumer goals are devalued. To merely plan future spending activities is an almost impossible task.

In the context of illness and healing, hope in Western culture is central. It is deeply enmeshed with the practice of medicine. Nowadays, doctors give much importance to instilling hope into their patients through positive prognoses and the disclosure of medical procedures, to help facilitate the clinical relationship and the illness experience (Delvecchio Good et al. 1990). This research suggests that consumer dreams (Fournier and Guiry 1993; d’Astous and Deschenes 2005) can come into play thanks to the help of charitable organizations such as the CWF and can help reintroducting the forward looking perspective that is lost since the diagnosis of the disease by giving hope this children and their family.

METHOD

An 8-month full time ethnography (Arnould and Wallendorf 1994) followed by 2 years of intermittent participant observation at a major chapter of the Children’s Wish Foundation of Canada. More than 50 people were observed and/or formally or informally interviewed during this research. In order to explore the phenomenon from a broad perspective, the data is analysed following Latour’s (2005) notion of social actor and social ties.

FINDINGS AND DISCUSSION

Illness is a central element in the exploration of the social life of consumer dreams of ill children. By its manifestation, diagnosis, and evolution, the illness affects the dream granting process by creating six uncertainties that can be regrouped under two specific functions: affecting the dream development as well as temporal aspects of the process. Uncertainties affecting the dream development are as follows: First, affecting the likelihood of eligibility of the child for a dream, second, imposing limits on the definition and approval of a dream, and third, forcing unpredictable modifications of a dream. Uncertainties affecting temporal elements of the dream granting process can be found at three levels: the timing of entry in the process, the speed of dream processing, and the gap between processing and fulfillment of the dream. The results show that the powerful influence exerted by the illness over the dreams is incontrovertible. Its involvement at various levels and its capacity to affect the state of affairs makes it an actor—in a Latourian sense—that cannot be overlooked in the study of consumer dreams. It can be the dream’s worst enemy by creating ambiguity, destabilizing order, compressing or expanding the time horizon, and so on. No one can predict its manifestation, but either way, its presence in the process should not go unnoticed.

The research pushes the understanding of the link between vulnerability and dreams further. If Hill (1991) proposed that the nature of a dream can be affected by the context in which a vulnerable consumer evolves, our findings reveal that in cases such as consumers living with a life-threatening illness, the mere act of desiring can be interrupted. When facing the announcement of a critical illness, some consumers tend to postpone their dreams until more appropriate times due to the major disruption caused by the disease. Here, McCracken’s (1988) dispelled meanings do not hold: instead of using consumer dreams to project themselves in some distant space or time, some consumers can lose capacity to create this mental projection. It further suggests that the perpetual and endless “cycle of desires,” as described by Campbell (1987) and Belk et al. (2003) cannot be generalized to all consumers and to all contexts. The results show that illness can force an end—or at least a pause—to this cycle. Consumers, when exposed to their own finitude, can change their perspective on desires by being intensely focused on the here and now.
Of Losing a Parent and Buying a BMW: The Effects of Mortality Salience Regarding a Loved One on Materialistic Consumption

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EXTENDED ABSTRACT

Human beings encounter anxiety that permanent separation from a loved one through death arouses (Bowby, 1969, 1982; Parkes, 1996; Stroebe, 2002). Research suggests that we are often more concerned about being eternally separated from loved ones than we are about no longer existing per se (Fiebel & Nagy, 1981). Few studies have been conducted to understand how this mortality salience regarding a loved one (MSLO) affects consumers’ behavioural responses toward materialism-related choices. Specifically, does MSLO produce less materialistic behaviour? Does MSLO induce consumers to prefer experience to materialistic possession? This research seeks to answer these questions.

Backed by self-determination theory (Deci & Ryan, 2000), we bring forward Loss Management Theory (LMT), which claims that the permanent separation anxiety evoked by MSLO motivates an individual to focus more on intrinsic goals such as self-acceptance, affiliation and sense of community. Intrinsic pursuits typically are inherently rewarding and tend to satisfy innate psychological needs such as autonomy, competence and relatedness. Although LMT rests on counterfactual thoughts about a loved one’s death, the theory is supported by numerous bereavement studies (e.g. Niederland, 1967; Niederland & Sholevar, 1981; Rando, 1988; Harvey, 1998, 2002; Tedeschi & Calhoun, 1996; Thompson, 1985; Thompson & Janigian, 1988), which revealed that after losing a loved one, the bereaved deals with the separation by pursuing intrinsic goals, such as a greater appreciation of life, better relationships with others and increased personal strengths. Due to the capacity for self-reflective, temporal and symbolic thought (Deacon, 1997), humans can imagine things that have not yet occurred or do not yet exist and transform those visions into reality. Given this counterfactual reasoning, we argue that the permanent separation anxiety aroused by the mere thought of losing a loved one can induce the same kind of behavioural reaction as the real loss can induce. As intrinsic and extrinsic goal content formed a single bipolar dimension (Grouzel et al., 2005); we therefore argue that MSLO can diminish one’s desire for materialistic consumption.

Four studies were conducted to test the hypotheses in this article. Specifically, study 1 was designed to establish participants’ preference for prestige possessions after MSLO treatment and the mediation role of goal endorsement. Study 2 set out to compare the effect of MSLO on participants’ preferences for prestige possessions framed with intrinsic motivation as opposed to extrinsic motivation. Study 3 sought to explore the treatment effect of MSLO on participants’ preference toward experiential material products. The objective of study 4 was to ask participants under MSLO and control conditions to choose from a pure experience and a material product; the different choices observed under the two conditions were then compared.

In the studies, the MSLO treatment consisted of having the participant think of a parent who is very important in his life and then answer two open-ended questions: “please briefly describe the emotions that the thought of the death of this loved one arouses in you” and “Jot down, as specifically as you can, what you think will happen to this loved one as he or she physically dies, and once he or she has physically died.” Similar questions were asked in the control condition on seeing a dentist. The manipulation questions were adopted from the first study in Greenberg et al. (1994)’s article on exploring the role of consciousness and accessibility of death-related thoughts. Emotion measurement was followed immediately after the manipulation by asking participants to fill out a revised PANAS (Watson, Clark & Tellegen, 1988). Measurement of relative strength of extrinsic vis-à-vis intrinsic pursuits (REIVO, Sheldon & Kasser 2008) and preference on high-status (BMW, Luxury golf trip) and low-status products (KIA, AMC movie) were checked in study 1. Study 2 revised study 1 by adding product frame (sharing or not) as a moderator on the reference of prestige product. The dependent variables in study 3 are participants’ preference toward experiential material products such as iPhone, iPad and HDTV, with product frame (being experiential or materialistic) as the moderator. While in study 4, participants were asked to indicate how they planned to spend $500 on a materialistic product and an experience respectively and their preference on their decisions is the dependent variable.

In the four studies, participants in the MSLO condition were less materialistic in that they were: 1) less interested in prestige possessions; 2) less interested in an experiential material product when it is framed by its intrinsic attribute, such as status signalling, as opposed to when it is framed by its intrinsic attribute, such as innate experiential pleasure; 3) more likely to choose an experience over a material product. The studies revealed that relatively more intrinsic goal endorsement mediates the effect of MSLO on participants’ materialistic consumption. No treatment effect occurs on no-status products. In particular, we also demonstrated that materialistic choices can also be made when intrinsic goals, such as affiliation, are activated through MSLO. When prestige goods are associated with an intrinsic meaning, e.g. sharing with a loved one, the intrinsic features are congruent with the consumer’s intrinsic goal system; therefore, participants primed with MSLO are more likely to favour the materialistic goods in this scenario.

LMT is exploring how consumers dealing with the death thought related to a loved one under the context of consumption. Previous research has intensively explored on how human awareness of his own death affects materialism and consumer decisions. Research (e.g., Mandel & Heine, 1999; Choi, Kwon and Lee, 2007; Kasser & Sheldon, 2000; Sheldon & Kasser, 2008) showed that making personal mortality salient has increased preference for luxury goods and materialism. The pro-materialistic behaviour induced by self mortality salience can be explained by Terror Management Theory (TMT; Greenberg, Solomon, and Pyszczynski, 1997), as an exemplification of human being’s trenchant need to overcome the personal existential anxiety evoked by the thought of death. In a word, self mortality
salience increases materialism as explained by TMT, while mortality salience regarding a loved one diminished materialism as explained by LMT. LMT and TMT are both exploring the effect of death thought, albeit different sort.

REFERENCE
Consumer Responses to Traditional vs Virtual Concept Testing: The Influence of Innovativeness, Change Seeking, and Cognitive Effort
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EXTENDED ABSTRACT

Concept testing plays a pivotal role in the new product development process. Virtual realities allow the most thorough and realistic means of presenting a product concept to consumers by combining all of the advantages of texts and visuals. A few prior research suggest that virtual testing yields more positive (if not identical) test results and more valid concept testing data (Dahan and Srinivasan 2000; von Hippel and Katz 2002; Fuller, et al. 2006; Peng, He and Wan 2011). On the other hand, the product management literature has identified several individual characteristics that could influence how consumers respond to new products in concept tests (Schindler, Holbrook and Greenleaf 1989; Duke 1994; von Hippel 1986; Reidenbach and Grimes 1984; Schoormans, Ott and de Bont 1995; Moreau, Lehmann and Markman 2001; Wood and Lynch 2002; Klink and Athaide 2006; Peng and Finn 2010). Respondent selection has long been one of the most important decisions facing practitioners in the design of concept testing.

The present study examines the influence of personality traits on consumer responses to traditional versus virtual concept testing environment. In particular, two research questions are raised for investigation in this paper: (1) Are the personality traits of the potential customers who are sampled in different testing environments an important determinant of the testing results? (2) Do some types of respondents provide substantially higher quality data in different testing environments? To address these questions, this study simulates a traditional and a virtual concept testing environment, using consumers, who can be clustered into segments on consumer characteristics assumed to influence their test responses. We consider three established personality traits, namely, consumer innovativeness, change seeking and cognitive processing propensity for their apparent theoretical relevance and managerial applicability. Generalizability theory (hereafter G theory) approach (Cronbach, et al. 1972), which has long been identified as a superior approach to measurement issues in marketing (e.g., Peter 1979; Rentz 1987; Finn and Kayandé 1997), will be used to assess the psychometric quality of the evaluation data. The new criteria in the approach include the variance components obtained in a Generalizability study (hereafter G study) for the facets which can be used to determine the contribution of each facet to the observed variation in the testing and G coefficient (Index of data quality) for the different objects of measurement.

The empirical study collected concept evaluations of five heterogeneous consumer appliances from members of an online panel in January 2009. More than four hundred respondents who indicated positive interest in consumer electronic appliances and owned and used at least two items in the list were recruited and randomly assigned to the two testing environments. This procedure resulted in 216 subjects for the traditional testing environment and another 216 subjects for the virtual testing environment. The same five heterogeneous products provided the stimuli for repeated measures of consumer reactions. Besides the testing environments, we controlled other testing factors (product presentation format, word quality, word length, and photo quality, et al.) to be consistent in order to ensure the validity of the study. The evaluation items were rating scales asking about liking, functions/features importance, uniqueness, problem-solving ability, believability and purchase intention. All the six items were expressed as seven-point semantic differential scales and then were coded from 1 to 7 with more positive responses given the higher values. The respondents evaluated the same five concepts using the same six evaluation items. They also completed the Need to Evaluate (Jarvis and Petty 1996), Domain-Specific Innovativeness (Goldsmith and Hofacker 1991), the Desire for Unique Consumer Products (Lynn and Harris 1997) and the Exploratory Buying Behavior Tendencies (Baumgartner and Steenkamp 1996) scales at the end of the survey.

The findings show that consumers who score higher on innovativeness and change seeking scales report significantly more favorable concept evaluation scores. Concept tests that intentionally or accidentally screen out respondents who are low on innovativeness or change seeking will generate more favorable new product assessments. Thus using firm or industry norms to interpret the outcome of concept testing will be biased unless it accounts for whether the screening processes that were used resulted in equally innovative or variety seeking samples of respondents. Second, the effect of innovativeness on concept testing outcomes is reduced in the virtual testing environment. However, the effect of change seeking on concept testing outcomes is even more substantial in virtual testing environment than in traditional testing environment. Thus, using norms to interpret the outcome of concept testing is even more of an issue in virtual testing environment, where it is an even more common practice (Peng and Finn 2008). Third, the study provides evidence that the quality of concept testing data provided by respondents varies substantially with their innovativeness. The most robust result is that consumers who are high on innovativeness provide much more generalizable data than consumers who are low on innovativeness when scaling concepts. This finding holds for every measure of innovativeness. However, the effect of innovativeness on data quality is mitigated in virtual testing environment. Fourth, there is no obvious effect on data quality for the Need to Evaluate scale used to capture cognitive effort characteristics in both traditional and virtual testing environment. Interestingly, consumers who are high or low on Need to evaluate provide no different information when scaling concepts in both traditional and virtual testing environments. Therefore the study draws a surprising insight that subject selection is not a more critical issue in virtual testing than in traditional testing.
EXTENDED ABSTRACT

Forecasting consumers’ new product adoption has been investigated by numerous innovation and marketing researchers primarily targeting durables and repeatedly purchased products. By comparison, forecasting consumers’ adoption of entertainment products such as movies and books has been scarce because of those products’ properties of one-time purchase and hedonic experience consumption. The unique properties make it ineffective applying common adoption models developed for durables or repeatedly purchased products. Based on the industry practice that movie studios use weekly survey data containing consumers’ awareness and preference (AP) measures of new upcoming movies to forecast their box-office performance, we develop a theory-driven forecasting model based on the AP measures of such entertainment products. Specifically, our forecasting model captures four distinct AP-based consumer segments that can influence the new product sales performance in different manners. In other words, our forecasting model is based on our assumption that not only the nature of preference (positive vs. negative preference) but also new product awareness timing (early vs. late awareness) influences the sales differently. Since awareness and preference take place in two successive steps before new product adoption, this two (early vs. late awareness) by two (positive and negative preference) classification results in four distinct consumer groups in sales forecasting. Our movie-level forecasting model reveals that these four groups have distinctively different impacts on new product sales. In our empirical application, we demonstrate the distinct existence of the four consumer segments using recent data from the Korean movie market.

REFERENCES


EXTENDED ABSTRACT

INTRODUCTION

Innovation is a strategic imperative in today’s economies, representing a key factor for companies to survive and grow in the long run (Balachandra & Friar, 1997). However, inhibition or delay in the adoption of innovations may translate possible success into market failure and even endanger the competitiveness of companies in the long run (Gatignon & Robertson, 1991). Since decades the innovation literature reports high failure rates for innovations between 50% and 90% (e.g., Andrew & Sirkin, 2003; Cierpicki, Wright & Sharp, 2000; Sivadas & Dwyer, 2000). Hence, most new products seem to fail as they are rejected by consumers due to their resistance to innovation (e.g., Ellen, Bearden & Sharma, 1991; Moldovan & Goldenberg, 2004; Ram & Sheth, 1989).

Yet, the vast body of literature on innovations is subject to a pro-change bias, assuming that consumers are principally open to change and thus interested in evaluating and eventually adopting new products (Ellen, Bearden & Sharma, 1991, Ram & Sheth, 1989, Rogers, 2003). In order to overcome “pro-change” bias we thus propose to incorporate the concept of passive innovation resistance. Passive innovation resistance already evolves from an individual’s resistance to change disposition and a status quo satisfaction in the moment of awareness (Bagozzi & Lee, 1999; Ellen, Bearden & Sharma, 1991; Nabih, Bloem & Poiesz, 1997). Despite scientific acknowledgement of the relevance of resistance to change and status quo satisfaction for innovative consumer behaviour and new product evaluation (e.g., Ram, 1987; Sheth, 1981; Nabih, Bloem & Poiesz, 1997; Oreg, 2003), empirical research into this topic is surprisingly scarce (Oreg, 2003; Oreg, Goldenberg & Frankel, 2005; Nov & Ye, 2008). The aim of this research is to systematically explore the relevance of passive innovation resistance, representing both consumers inclination to resist change and status quo satisfaction, for consumer innovativeness and new product evaluation.

RESEARCH METHOD

We conducted five studies, which encompass the following research activities:

(1) In a first empirical study we examined the impact of passive innovation resistance on adoptive innovativeness (Rochrich, 2004), measured by consumers’ predisposition to adopt (Bruner & Kumar, 2007) and exploratory acquisition of products (Steenkamp & Van Trijp, 1996; Trijp, Hoyer & Inman, 1996). We conducted a large scaled consumer survey (n = 681) and used component-based structural equation modeling (PLS) (Lohmöller 1989; Hulland 1999; Tenenhaus et al. 2005) to analyze our hypothesis.

(2) Within our second study three technological products (1 RNP, 1 DNP, 1 INP) were taken from a larger set of innovative products as adequate stimuli to analyse possible effects of passive innovation resistance within new product evaluation. Subsequently, those products were evaluated by 424 members of an online panel. Using component-based structural equation modeling (PLS) (Lohmöller 1989; Hulland 1999; Tenenhaus et al. 2005), the influence of passive innovation resistance and its interaction with several product-specific barriers on attitude formation and intention to adopt was determined.

(3) In our third study we used a 3 (Degree of passive resistance: low, medium, high) x 3 (Product innovativeness: incremental, dynamically continuous, radical) between-subjects design to analyze possible effects of different levels of passive innovation resistance on new product evaluation. From a larger set of innovative mobile phones, experts in the field of innovation management identified 9 products as adequate stimuli. Subsequently, those products were evaluated by 679 members of an online panel.

(4) In study 4 we used a scenario-based experiment to empirically examine the effects of different forms of passive innovation resistance and their interaction with product innovativeness on attitude formation. 307 members of an online panel were randomly assigned to one of the 8 experimental conditions within a 4 (form of passive resistance: low, situational, cognitive, dual) x 2 (product innovativeness: low (INP), high (RNP)) between-subjects design.

(5) Finally the effectiveness of several marketing instruments to overcome passive innovation resistance was quantified within a 3 (Degree of passive resistance: low, medium, high) x 4 (Marketing instrument: control group, categorization cue, mental stimulation, benefit comparison) between-subjects design. Furthermore we evaluated the effectiveness of those marketing instruments in reducing product-specific barriers within a 4 (Product-specific barrier: value, complexity, usage, risk) x 4 (Marketing instrument: control group, categorization cue, mental stimulation, benefit comparison) between-subjects design as well. The experiment was conducted with members of an online panel. A total of 679 product evaluations were obtained.

RESULTS

Following the results of study 1, passive innovation resistance was shown to be a strong inhibitor for innovative behavior and new product adoption, reducing consumers’ adoptive and actualized innovativeness. Preliminary results show that passive innovation resistance, measured by consumers generalized resistance to change disposition and status quo satisfaction (Oreg, 2003; Nov & Ye, 2008), has an high negative impact on both predisposition to adopt ($\beta = -0.375, t = 9.21$) and exploratory acquisition of products ($\beta = -0.731, t = 32.27$). Furthermore a strong direct effect of passive innovation resistance on the actual adoption of new products ($\beta = -0.187, t = 4.07$), partly mediated by predisposition to adopt ($\beta = 0.530, t = 21.95$) and exploratory acquisition of products ($\beta = 0.131, t = 3.16$) could be empirically verified.

Furthermore passive innovation resistance was shown to be a strong inhibitor within new product evaluation, reducing
positive attitude formation. According to the results of study 2, passive innovation resistance has a high impact on attitude toward the new product, both directly ($\beta = -0.12, t = 2.77$) and mediated over perceived product characteristics ($\beta = -0.24$). Intention to adopt is directly affected by attitude toward the product ($\beta = 0.65, t = 17.14$) and domain-specific innovativeness ($\beta = 0.14, t = 3.56$) as well as indirectly affected by passive innovation resistance ($\beta = -0.17$). Hence, the total effect of passive innovation resistance on attitude toward the product equals $\beta = -0.36$, which underlines its strong influence on attitude formation within new product evaluation.

Within study 3 and 4 strong interaction effects of passive innovation resistance and product innovativeness on attitude formation within new product evaluation could be empirically verified. Following these results, consumers with low levels of passive innovation resistance seem to favour RNPs, whereas consumers with medium levels prefer DNPs and consumers with high levels prefer INPs. Furthermore, dual passive-resistance has the highest negative impact on attitude formation. In case of an incremental innovation the negative effect of situational-resistance on attitude formation is stronger than the effect of cognitive-resistance. In case of a radical innovation the negative effect of cognitive-resistance on attitude formation is stronger than the effect of situational-resistance.

Within study 5 the effectiveness of several marketing instruments to overcome passive innovation resistance and several product-specific barriers was quantified. Preliminary results ($F(6, 679) = 2.381, p < .05$) indicate that mental stimulation is the most effective instrument in enhancing positive attitude formation at low and high levels of passive innovation resistance, whereas benefit comparison is the most appropriate instrument at medium levels of passive innovation resistance. Furthermore, mental stimulation was shown to be the most effective instrument in reducing risk, usage and complexity barriers whereas benefit comparison is the most effective one in reducing the value barrier ($F(9, 2716) = 2.033, p < .05$).

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Consumers' Resistance to Innovations – Investigating the Cases of Passive and Active Innovation Resistance

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EXTENDED ABSTRACT

The literature on innovation adoption largely follows the assumption that consumers are principally open to change and thus interested in evaluating and eventually adopting new products. However, empirical studies show that new products are usually associated with a high failure rate (Kuester, Homburg & Robertson 1999). Recent studies emanate from failure rates about 50 to 90% (e.g. Andrew & Sirkin, 2003; Clerpichki, Sivadas & Dwyer, 2000). For consumer products, failure rates are generally considered to range between 80% and 90% (Homburg & Kuhn 2007). Innovation failures cannot generate future revenues and, therefore, can even endanger the competitiveness of companies in the long run (Bayus, Erickson & Jacobson 2003). Therefore, one should identify those barriers in the adoption process that trigger consumers’ innovation resistance. Based on this insight, strategies can be developed to reduce these barriers, thereby minimizing the risk of innovation failures and of misallocating resources.

Most studies that investigate innovation failures use the concept of innovation resistance to explain why new products are rejected by consumers (e.g., Bagozzi & Lee, 1999; Ellen, Bearden & Sharma, 1991; Ram & Sheth, 1989). The conceptualization of innovation resistance, however, varies fairly across studies. Some authors conceptualize innovation resistance as result of product-specific factors (e.g., Laukkonen, Sinkkonen & Laukkonen, 2008). Others conceptualize innovation resistance as a special form of resistance to change, caused by adopter-specific factors rather than product-specific ones (e.g., Ellen, Bearden & Sharma, 1991; Sheth, 1981; Kuisma, Laukkonen & Hiltunen, 2007). We thus propose to differentiate between two forms of innovation resistance: Active and passive innovation resistance.

Active innovation resistance represents a negative attitude formation, which follows new product evaluation, and which is likely to lead to an innovation rejection. When consumers compare perceived innovation characteristics with individual expectations of an optimal innovation, a certain degree of divergence will result. Depending on the amount of divergence active innovation acceptance or resistance will result (e.g. Bagozzi & Lee, 1999). Therefore, active innovation resistance can be seen as a result of perceived product-specific barriers.

Passive innovation resistance already forms just after the moment of awareness prior to product evaluation. It can be seen as an initial response of a consumer to an innovation without considering its product-specific factors (Bagozzi & Lee, 1999, Nabih, Bloem & Poiesz, 1997). An innovation, which is perceived as new or different, always imposes change to the individual, endangers the actual status quo, and is thus likely to provoke initial resistance. Following this rationale, passive innovation resistance seems to be a generic predisposition to resist evolving from an individual’s resistance to change disposition and a status quo satisfaction in the moment of awareness (Bagozzi & Lee, 1999; Ellen, Bearden & Sharma, 1991; Nabih, Bloem & Poiesz, 1997).

Despite scientific acknowledgement of consumers’ predisposition to resist innovation and several product-specific factors for consumers’ resistance to innovations (e.g. Ram, 1987; Sheth, 1981; Nabih, Bloem & Poiesz, 1997; Oreg, 2003), empirical research into this topic is surprisingly scarce (Kleijnen et al. 2009; Oreg, Goldenberg & Frankel, 2005; Nov & Ye, 2008). The aim of this research is to systematically explore the relevance of passive innovation resistance and product specific barriers in forming active innovation resistance, leading to innovation rejection.

RESEARCH METHOD

First potential causes of resistance to innovation are derived within an exploratory study. The empirical research design was based on a study by Greenleaf and Lehmann (1995). 240 members of an online-panel were asked to recall an innovative product they recently encountered but did not buy. With regard to this product, consumers were asked to report reasons for their non-purchases. The collected reasons were reviewed on content uniformity and compared to known causes from literature by several experts and thereupon grouped into specific adoption barriers. Overall 18 product-specific barriers could be identified.

Finally the relative influence of these identified product-specific barriers and their interaction with passive innovation resistance on active innovation resistance is quantified within a large scaled online survey. From a larger set of innovative products, three technological products (1 RNP, 1 DNP, 1 INP), were taken as adequate stimuli for the final consumer survey. Subsequently, those products were evaluated by 424 members of an online panel. Possible product-specific barriers were assigned to 2 formative constructs, representing functional and psychological product-specific barriers to adoption. Passive innovation resistance is operationalized as second order construct of type 4 (Jarvis, MacKenzie & Podsakoff, 2003), consisting of two first order dimensions (formative). One represented by consumer’s resistance to change disposition. The other represented by consumer’s status quo satisfaction. Using component-based structural equation modeling (PLS) (Lohmöller 1989; Hulland 1999; Tenenhaus et al. 2005), the influence of each product-specific barrier and their interaction with passive innovation resistance on active innovation resistance was determined. PLS supports the testing of higher-order models, using the hierarchical component model (Lohmöller 1989; Wold 1982).

RESULTS

Preliminary results indicate that active innovation resistance is mainly caused by functional barriers ($\beta = 0.469, t = 7.687$), whereas psychological barriers ($\beta = 0.385, t = 6.655$) also have a positive impact on active innovation resistance. Furthermore, active innovation resistance most
likely leads to an intention to reject the product ($\beta = 0.725$, $t = 21.035$). Further statistical analysis show, that passive innovation resistance has a strong positive effect on psychological ($\beta = 0.413$, $t = 7.907$) and functional barriers ($\beta = 0.359$, $t = 5.502$). Since no direct effect of passive innovation resistance on active innovation resistance is present ($\beta = 0.03$, $t = 1.094$), its effect on active innovation resistance is fully mediated by product-specific barriers ($\beta = 0.331$). Hence passive innovation resistance strongly influences the perceptions of product-specific barriers, which finally drive active innovation resistance leading to innovation rejection. Additionally interaction effects of passive innovation resistance and product innovativeness on psychological barriers ($\beta = 0.104$, $t = 2.248$) and functional barriers ($\beta = 0.105$, $t = 2.281$) could be confirmed.

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Deep Discount or Free? The Effects of Price Promotion on Willingness to Pay
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EXTENDED ABSTRACT
Research on price promotions has shown that when a free product is bundled together with another product, consumers reduce their willingness to pay for the free product when it is not being offered for free (Kamins, Folkes and Fedorikhin 2009; Raghubir 2004). For example, when a pizzeria offers free bread sticks with the purchase of a pizza, consumers expect to pay less for bread sticks on a subsequent visit when the promotion is no longer in effect. Raghubir (2004) reasoned that when a product is offered as a free gift, consumers infer that the cost of the product is low and lower their willingness to pay for it when it is not in promotion.

In the current research, we examine promotions in which a product is offered for a low price – but not free – with the purchase of another product. If a free offer reduces consumers’ reservation price through inferences regarding the cost of the product, it follows that the impact of a promotion that allows a purchase for a reduced price should be a function of the magnitude of the promoted price. In this sense, free, or zero price, would be an extreme example of the application of this inference. In other words, compared to a situation in which a product is promoted for free, when a product is promoted for a price greater than zero, consumers should infer a higher cost. In turn, we should expect that this type of promotion would have a smaller impact on consumers’ willingness to pay on subsequent purchases.

Research on several aspects of human psychology has shown that zero is used in a qualitatively different manner than other numbers, often causing discontinuity in the transition from small numbers to zero (Heyman and Ariely 2004; Kahneman and Tversky 1979; Shampanier, Mazar and Ariely 2007). This literature suggests that zero is a special number and the effect of price promotions on subsequent purchase occasions may not be a direct function of magnitude of the discount. We propose that the value of the required purchase is used as an anchor when consumers estimate their reservation prices. In addition, when a product is not offered for free, but for a low price, consumers will also use this low price as an anchor. While a product can’t possibly cost zero, it can conceivably have a low price. Thus, we argue that zero will not be used as an anchor to estimate the price of a product, but a low price will. In this case, the reservation price of a free product will have only one anchor (value of the required purchase), while the reservation price of a product promoted for a value greater than zero will have both the required purchase and the promoted price as anchors.

Our reasoning leads to an interesting effect: a low price can lower reservation prices further than a zero price. Referring back to our opening example, we expect that a promotion that offers bread sticks for free with the purchase of a pizza will have a smaller impact on reducing consumers’ willingness to pay for bread sticks on subsequent visits, than one that offers bread sticks for a low price, like one dollar with the purchase of a pizza. Consistent with an anchoring mechanism, as the promoted price increases, reservation prices also increase and eventually are superior to those of the free condition. Therefore, we predict a discontinuity in the relationship between promoted product price and reservation price at zero, such that a zero price will lead to higher reservation prices than a low price.

Our hypothesis was tested in two studies. In our first study, 164 participants answered a series of questions about two promotional advertisements. Participants were randomly assigned to one of four conditions: control, free, 50 cents and 2 dollars. Thus, the between-subject manipulation was the type of promotion (if any) that was offered with the purchase of a product. In the control condition, participants were informed about the price of a product (pizza and tomato sauce), but no mention was made to the price of the promoted product (bread sticks and spaghetti). For both products, we found that participants in the free condition were willing to pay more for the promoted products when they were not in promotion than participants in the 50 cents condition. For bread sticks, even a two-dollar price lead to lower WTP than a free price. For both products, expected quality was not affected by the price manipulation.

In study 2, we manipulated two factors: type of promotion (free vs. low price) and price of the required purchase (medium vs. high). Participants were randomly assigned to four conditions and asked to consider that they were looking for a gift for a friend who loved wine and to state how much they would be willing to pay for a wine thermometer. Participants also answered a few questions related to their expectations of quality. We found main effects for required purchase price and promotion type. More importantly, we found a significant interaction, as the WTP of a free product was significantly affected by the price of the main purchase, whereas the WTP of a low price product was not. Together, these studies offer support for our hypothesis.

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EXTENDED ABSTRACT
Nowadays, coupon promotions cover a variety of products categories. It can reach a broader audience than any other promotion and can attract more potential customers. All these make coupon promotions one of the most important price promotion strategies for new products (Gupta, 1988; Pauwels, Hanssens, and Siddarth, 2002; Heerde, Gupta, and Wittink, 2003; Crawford and Benedetto, 2006). For new products, the main purpose the companies distribute coupons is to attract new potential consumers. These consumers have never been exposed to products printed on coupons, thus the coupons become the first way for them to learn about product information and prices directly. Therefore, for new products, the design of coupons plays an important role in the purchase decisions. As for the design of coupons, apart from the brand and introductions of products, the most obvious part is the preferential price of promotions. Although the trade companies offer different degrees of discount, they seldom consider whether the formats are suitable and effective (Stibel, 2007).

The coupon value effect embodies in the relationship among coupon value, perceived price and purchase intention. Coupon value, the discount amount shown on the coupon, includes various formats of discounts, such as reduce $50, 20% off and so forth. It reduces consumers’ monetary expenditures and enhances their perceived value, including perceived acquiring value and perceived transaction value (Grewal et al, 1998). Perceived price is the consumers’ subjective encoding of price information in their minds (Monroe, 1973). It express as the perceived price of products before knowing the actual price, including the price estimation impacted by coupon value and previous experience. Purchase intention means the possibility that consumers exchange the coupons. Raghunathan (1998) pointed out that coupon value would not only have a direct and positive effect on purchase intention, but also have a negative effect on purchase intention through the mediator of perceived price.

Framing effect means that two statements with similar logical significance about one thing, can lead to different decision judgment (Tversky and Kahneman, 1981; Kahneman and Tversky, 1984). The context or framing of problems adopted by decision-makers results in part from extrinsic manipulation of the decision-options offered, as well as from forces intrinsic to decision-makers, e.g., their norms, habits, and unique temperament. Framing effect has broad application and research in many fields such as sociology and behavior study. In marketing, different presenting ways of product information will cause different purchase decision and behavior. Thaler (1985). Monroe and Chapman (1987) etc, proposed that buyers’ perceptions of promotional cues in the form of advertisements, coupons rebates, and discounts affected their product evaluations and willingness to buy. For instance, consumers’ likelihood of purchasing ground beef was higher when the ground beef was described (framed) in terms of its percent lean rather than its percent fat (Levin et al., 1995). Meanwhile, Park, Jun, and Macinnis (2000) studied the effect of framing effect in the course of the selection of customized product components. Furthermore Khan and Dhar (2010) studied the price-framing effects on the purchase of hedonic and utilitarian bundles.

Our research will consider two discount formats of coupon value: percentage-off and cents-off. Percentage-off, like 50% off, providing discount rate, the proportion of the sum of benefits in the sum of products, expresses the benefit ratio. It is relative sense. However, cents-off, like $100 savings, gives the amount of discount, which is the actual number of benefits. It’s absolute sense. Based on previous findings, we hypothesize that coupon value effect is stronger in the form of percentage-off than in the form of cents-off for new products. Furthermore, we predict that percentage-off coupon value has higher price perception while cents-off coupon value has more significant price reduction for high-price products, and vice versa for low-price products. Additionally, physical products and service has different frame effect on coupon value.

We conduct two studies. Study 1 tests framing effect on coupon value for existing products. We choose 40 goods and services and 20 subjects are divided into two group (cents-off group vs percentage-off group). Study 2 tests framing effect on coupon value for new products. We choose 8 goods and services and 20 subjects are divided into two group (cents-off group vs percentage-off group). One-way ANOVA was used as the analytical tool.

We find out that different formats of coupon value (the percentage-off and cents-off) moderate the relationship among coupon value, price perception and purchase intention. For existing products, two discount formats have no significant difference on the perceived price of low-level products. But for high-level products, there is significant difference on the perceived price between the two discount formats, and the cents-off coupons are more suitable for high-level products, which bring about higher redemption rate. However, the percentage-off coupon is more suitable for physical products and services. For new products, the framing effect is more significant. The percentage-off is more suitable for low-level new products. In cases of the percentage-off, higher coupon value is regarded as wider markdown amplitude, thus leading to stronger purchase intention. However, for high-level new products, the high perceived price of the cents-off will enhance consumers’ purchase intention instead. For new services, the purchase intention with the percentage-off will be stronger. Therefore the companies should pay attention to the formats when they design coupons which affect consumers’ price perception and purchase intention, thus affecting their purchase decision.

Future research should broaden the scope the current research by looking for some field evidence. In addition to, it would be interesting to examine whether big vs. small discount (e.g. 15% vs. 75% off) moderate the effect.
REFERENCES


You Get What You Pay for But I Don’t: Effect of Construal Level on The Price-Quality Relationship
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EXTENDED ABSTRACT
Consider the following scenario: you observe that a friend has bought a well-designed, attractive bag for a surprisingly low price. What inference would you draw regarding the quality of that bag: high quality (because of its attributes such as design and materials) or low quality (because of the low price)? And would your quality inference be any different given a perspective shift – namely, would you be more or less inclined to assess quality on the basis of price if it were a bag you had bought yourself? Alternately, suppose you were evaluating the quality of a product for immediate use as compared to future use – when would you give greater weight to the product’s price, as opposed to its attributes, when forming your judgment of quality?

In seeking to answer questions such as the above, this paper addresses the key issue of how consumers form inferences regarding product quality, and in particular, the extent to which they base these inferences on price as opposed to product attributes. The current research builds on construal level theory (Trope, Liberman, and Wakslak 2007) to propose a key contingency as to when the influence of price on quality perceptions may be diminished or enhanced. The central idea is that price has greater impact on consumers’ quality judgments of psychologically distant vs. nearer purchases, with the reverse being true for the impact of product attributes. The concept of psychological distance subsumes several dimensions, such as interpersonal distance (e.g., whether an inference is drawn on the basis of one’s own or another’s behavior) and temporal distance (whether an inference has to do with the immediate or distant future). Thus, invoking construal level theory allows us to provide a unified answer to the seemingly disparate questions raised in the opening paragraph as to how price may influence quality perceptions in different scenarios.

THEORETICAL BACKGROUND
Findings from the construal theory literature suggest that abstract information, compared with concrete information, tends to exert more impact on representations and judgments of psychologically distant events, while the reverse holds when the focal judgment is about psychologically near events (e.g., Liberman and Trope 2000). We argue that this premise contains direct implications for how quality inferences are formed in different situations. Compared to specific, concrete product attributes, price can be thought of as a more abstract, general cue, especially with regard to its implications for quality. One reason for the relatively more abstract nature of the price cue has to do with it being a universal component for practically all products; thus, the price-quality heuristic itself represents a generalized abstraction of a consumer’s many observations and experiences. In contrast, the diagnosticity of attributes is usually specific to different product categories (e.g., hard disk capacity can be used to infer computer quality, but is inapplicable to judgments about cars; on the other hand, the physical attractiveness of the packaging is often used for quality judgments of food items, but less so for computers). Indeed, the idea that the price-quality belief is an abstract “theory” while product attributes are more concrete “data” has been widely adopted in previous consumer research (Baumgartner 1995; Broniarczyk and Alba 1994). In light of this distinction, and given the preceding arguments arising from construal level theory, it follows that:

H: Consumers’ reliance on price for making quality inferences will be enhanced when the judgment is psychologically relatively distant. Information relating to product attributes, on the contrary, will be utilized more when the quality judgment is psychologically closer.

STUDIES
A series of five experiments provided convergent support for these predictions. The first three experiments used the “self” vs. “other” (interpersonal) perspective to operationalize psychological distance. The first study looked exclusively at the influence of price on quality judgments. Participants were asked to predict the quality of a series of products whose prices (high vs. low) were given; they were told either that the purchase had been made by themselves (“self” condition, representing low psychological distance) or by others (“other” condition, representing high psychological distance). Experiment 2 assessed quality inferences after manipulating both price and the favorability of product attributes. Specifically, we asked participants to judge the tastiness of a dish of fried rice, on the basis of two cues: its price, and its physical attractiveness. In Experiment 3, we sought to replicate the previous findings obtained on quality assessments (Experiments 1 and 2) using a selection paradigm. Instead of simply being asked to make a quality judgment based on information about a single product, participants were asked to indicate which of two yogurts was tastier: one that was expensive and had an unattractive package, while the other was presented as being cheap but attractive. Experiment 4 then operationalized psychological distance through a different (temporal) dimension. Finally, experiment 5 provided strong support for the posited mechanism by directly manipulating construal level. In line with our hypotheses, and across different product categories, results across from all of these studies showed that participants relied more on price than on product attributes when predicting product quality from an “other” vs. a “self” perspective; in contrast, the weight accorded to product attributes followed the reverse pattern. It is noteworthy that convergent support for our predictions was obtained across a variety of product categories, different dependent variables (single-option quality judgments as well as the choice paradigm used in experiment 3), pre- and post-purchase scenarios, and several different manipulations of construal level, including two different dimensions of psychological distance (interpersonal and temporal) as well as the direct manipulation used in experiment 5.

REFERENCES


ABSTRACT
Given the propensity of advertisers to choose humorous appeals for television ads, there is a need to determine which elements of an ad can be standardized while retaining adequate levels of effectiveness. This study reports an experiment designed to investigate the influence of individual level culture and the psychological factors of Need for Cognition and Need for Humor for their impact on responses to humorous advertising in Australia, China and the U.S. The results support the prediction that while individual differences influence responses, between country differences are not so large as to preclude successful use of humor in standardized advertising.

Humor is a constant presence in popular culture through movies, television programs, print and online entertainment. Estimates of the proportion of advertising intended to be humorous range from 15% to 36% with an increasing trend (Kelly and Solomon 1975; Weinberger et al. 1995). With current worldwide advertising spend at US$470 billion per annum (ZenithOptimedia 2011), a conservative estimate indicates that at least 24% of that includes humorous appeals (Weinberger and Spotts 1989).

Humor as a communication element has been found to be an important component of advertising in numerous countries (Eisend 2009; Weinberger and Gulas 1992). As humor is a universal dimension of culture (Lefcourt 2001) and with a world population that is both increasingly mobile (W.H.O. 2010) and consuming global media there is a need to determine whether humorous advertising can be standardized whilst retaining acceptable levels of effectiveness.

The purpose of this research is to demonstrate how standardization of humorous advertising can be undertaken successfully. We further the process of dissecting the constructions of ads and explicating which elements of such an ad can transfer across cultures and why they will travel well. With a focus on individual-level differences which affect consumer response to standardized humorous television commercials, we also contribute additional criteria for global consumer segmentation. The contexts chosen for this investigation were the United States, the People’s Republic of China and Australia, which enables examination of responses in situations of both minimal and maximal cultural difference.

The paper will first discuss the construct of humor and its use in advertising. We then link the construct to theoretical work from psychology and marketing on the influence of individual level culture and other individual differences that impact on response to humorous advertising. Results from an experiment will then be presented in which humor theme in a standardized humorous ad was manipulated to determine an optimal point of effectiveness. After presenting the results of the study, the theoretical and practitioner implications of the research will be discussed.

THEORY AND HYPOTHESES
Humor and Culture
In order to further the process of determining standardization in humorous advertising across cultures, it is necessary first to clarify the link between humor and culture.

Henry Bowman, an anthropologist (1939: cited in Alford and Alford 1981, 150), concluded that humor is “a more or less elemental human reaction, and that the fundamental elements of humorous situations remain the same across cultures.” He determined that the content of humorous situations, however, varies from culture to culture. Alford and Alford (1981) worked with Murdock and White’s (1969) Standard Cross cultural Sample and expanded the data set to gain a probabilistic sample of world cultures, focused specifically on the concept of humor. They determined that “no society was reported to be without humor” (Alford and Alford 1981, 162). Further, they believed that no instances of humor “defied analysis with our Western conceptions of humor” (Alford and Alford 1981, 162).

Thus, while humor is acknowledged to be a universal element of culture (Lee and Lim 2008; Lefcourt 2001; Martin 2007), the content of humor may require adaptation when communicating in different cultural contexts.

Humor in Advertising
One of the few studies on humor in cross cultural advertising is that of Alden, Hoyer and Lee (1993) which utilized the underlying mechanism by which humor works to compare television advertisements from South Korea, Germany, Thailand and the United States. Their conclusions were that incongruity-resolution style humor is global, although execution may need adaptation (Alden et al. 1993, 72). The content analysis was able to determine advertiser choice of appeals, but not the effectiveness of those appeals for the audience.

Working from this base of a universal mechanism of humor (Alden et al. 1993) interest must then shift to exploring the transferability of executional elements of a standardized advertisement including investigation of audience response to thematic content of humorous ads. It is widely accepted that variation in audience response across national boundaries is often due to cultural differences and the influence of culture on individuals within a nation.

Culture
Extending work by Rokeach (1973) and others on the distinction and categorization of human values, Schwartz developed ten motivationally distinct basic values (Schwartz and Bilsky 1990) based on their importance as ‘guiding principles in your life’. A key theoretical advantage of the use of the Schwartz Value Survey (SVS) is that it is designed to capture and enable analysis of individual-level values as well as the more commonly collated culture-level values. The SVS has been used in studies which compare the values portrayed in advertising between cultures, e.g. (Zhang and Shavitt 2003), but little research investigates the impact of values on responses to the ads (e.g. Lee and Lim 2008). Gudykunst (1998) classified the ten dimensions identified through the SVS along the individualism/collectivism dimension. Five of the higher order values are seen as individualistic (achievement, hedonism, power, self-direction,
stimulation), three are collectivist (benevolence, conformity, tradition) and the remaining two are a combination (security, universalism).

The use of the individualism/collectivism dimension is of value in cross cultural advertising research as differences in audience response to an advertisement have been identified using this construct (e.g. Aaker and Williams 1998; Chan et al. 2007). As this research investigates responses at an individual level, the construct is technically idiocentrism/allocentrism (Triandis 2004) but we use the terms most familiar to readers.

A culture may be described as individualist or collectivist, but individuals within that culture may lie at any point along the continuum between the two extremes, with individuals gaining elements of their values from the institutions and society around them as well as from personal experiences (Briley and Aaker 2006; Schwartz 1994). Individualists tend to seek out stimulation, hedonism, self-direction and achievement whereas collectivists are more concerned with conformity to group norms, tradition and benevolence to in-group members (Gudykunst 1998). People who evince higher concern for the rights and privileges of individuals will tend to lower levels of concern for the group, or for anyone other than that individual. These characteristics will also influence responses to executional elements of an ad.

The diversity of appropriate expression of humor in its content (subject or theme of the humor); objects (who or what is the butt of the humor); forms (humor type); and humor specialists within a culture, is well documented (Alford and Alford 1981). The response to execution of humorous advertising in terms of theme preference, audio and visual elements will be impacted by individualist or collectivist values held by audience members.

While numerous content analyses have attempted to delineate important content or executional factors in advertising that may influence perceived humor, the methodology is restricted to determining advertiser choice of elements and cannot predict audience responses. Theme of humor as a content element of a humorous advertisement has not previously been investigated and this study investigates the influence of the level of aggression as a theme of humor. The aggressive theme is based on the target of the humor being an individual or group perceived as being different in some way. It may be about deriving amusement from the misfortunes of these ‘others’ (schadenfreude) or by actively seeking to ‘humiliate, embarrass or ridicule them in some way’ (Martin 2007, 18) thereby enhancing one’s own status or reinforcing group norms. Drawing from Freud (1905) and others, we expect that advertising themes which are aggressive towards, or denigrate ‘others’ even if intended to be humorous, will elicit perceived humor from individuals based on superiority, competitiveness and schadenfreude. In contrast, aggressive themes may lead to anxiety among collectivists as it degrades harmonious relations within society.

Thus, in testing how individual-level cultural values influence response to an advertisement, we expect that:

**H1** - The effect of individual culture on perceived humor will be moderated theme of humor

a. Subjects with high individualist values will perceive more humor in aggressive themes than in non-aggressive themes

b. Subjects with high collectivist values will perceive more humor in non-aggressive themes than in aggressive themes

c. Subjects with high individualist values will perceive more humor in aggressive themes than subjects with low individualist values.

d. Subjects with high collectivist values will perceive more humor in non-aggressive themes than subjects with low collectivist values.

**Individual Traits**

In addition to culture, there is a wide variety of individual differences which influence response to humorous appeals (Weinberger and Gulas 1992). Two that have been recognized as being of particular significance are the need for humor (Cline, Altsech, and Kellaris 2003) and the need for cognition (Zhang 1996a).

**Need for Humor.** Need for humor (NFH) is an individual difference variable which refers to a person’s motivation to seek out and process humorous stimuli (Galloway 2009). This construct was developed by Cline, Altsech and Kellaris (2003), based on a subset of the Need for Levity (NFL) scale created by Cline (1997). Further studies offer some evidence that an individual’s need for humor plays a significant role in moderating attitudes. NFH appears to act as a motivator and high (vs. low) NFH individuals respond more favorably to humorous ads compared to non-humorous ads (Kellaris and Cline 2007). The nature of NFH as a personality trait (Cline et al. 2003) suggests that it will vary by individuals rather than by the influence of environment, and we suggest that it is an etic construct. This hypothesis is a replication of Cline et al. (2003) with extension to a comparison in three diverse cultural contexts and the medium of television advertising. Therefore, the following is anticipated:

**H2** - The effect of perceived humor on advertising effectiveness will be moderated by an individual’s need for humor (NFH).

a. The higher the subject’s NFH, the stronger the positive relationship between perceived humor and ad effectiveness (\(A_{ad}\), \(A_p\), \(PI\)).

b. The lower the subject’s NFH, the weaker the positive relationship between perceived humor and ad effectiveness (\(A_{ad}\), \(A_p\), \(PI\)).

**Need for Cognition.** Need for Cognition (NFC) is a personality trait developed from the Elaboration Likelihood Model (ELM) (Cacioppo and Petty 1982). A series of four studies was performed to develop a scale for NFC and the trait was described as a predisposition for individuals to prefer to engage in effortful thinking, contingent upon situational variables. The original scale held 34 items but was revised to 18 items to increase efficiency (Cacioppo, Petty, and Chuan Feng 1984). The short form (18 item) of the NFC scale has been validated in numerous countries across Asia-Pacific (e.g. Chang 2007; Forsterlee and Ho 1999; Kao 1994) and the U.S. (e.g. Zhang and Buda 1999). Evidence from these studies suggests that the NFC scale is etic in nature with validity in each of the countries investigated in this study.

Further research on the role of NFC in responses to humorous advertising was undertaken by Cline et al. (2003) which suggested explanations for the differential processing of humorous appeals. The results showed that individuals high in NFC found an ad with higher humor content more amusing than did individuals with low NFC.

To date the examination of the impact of NFC on responses to humor in advertising has used print stimuli
and been restricted to single culture studies (Cline et al. 2003; Geuens and De Pelsmacker 2002; Zhang 1996b). In order to test the cultural invariance of the influence of NFC on perceived humor, this study replicates previous work (Cline et al. 2003) with extension to a new medium with comparative analysis across cultures while examining the influence of NFC as a moderator. Thus, it is expected that:

**H3** - The effect of perceived humor on advertising effectiveness will be moderated by an individual’s need for cognition (NFC).

a. The higher the subject’s NFC, the stronger the positive relationship between perceived humor and ad effectiveness ($A_{high}$, $A_{PI}$).

b. The lower the subject’s NFC, the weaker the positive relationship between perceived humor and ad effectiveness ($A_{low}$, $A_{PI}$).

**METHOD**

**Overview**

The primary purpose of this study is to test the hypotheses that the effect of individual culture on perceived humor will be moderated by the theme of that humor and that the effect of perceived humor on advertising effectiveness will be moderated by both an individual’s need for cognition (NFC) and their need for humor (NFH). Hence, the study is a 2 (IDV High/Low) x 2 (COL High/Low) x 3 (Aggression None/Medium/High) quasi experiment of post test only design. We manipulate aggressive theme strength and measure NFH, NFC and individual-level culture. The dependent variables are perceived humor intensity and ad effectiveness measures.

**Participants.** Subjects were recruited through large universities in major cities in China (PRC), the United States (USA) and Australia (AUS). A total of 705 participants completed the experiment (PRC 211, USA 203, AUS 291) from business and engineering faculties. Age ranged from 18 – 47 (median 21) and included 55% female and 45% male respondents. Subjects were randomly assigned to conditions and received no incentive other than course credit in Australia and the USA.

To increase data collection equivalence we selected university students in major urban centers as our sampling frame. University students are acknowledged for their relative homogeneity as a group (Calder, Phillips, and Tybout 1981; Chan et al. 2007), with comparable education level, social class and age.

**Independent Variables.** Individual level culture was measured using a short form of the Schwartz Value Survey (SVS). Thirty items were included in this version, with 3 items from each of the 10 sub-dimensions of the original scale (see Table 1). For the Chinese sample, the Chinese version of the scale and demographic questions were adopted from the original back-translation of the SVS (Schwartz 1992). Internal reliability was achieved across all three samples (α = .86) (PRC .86, AUS .87, USA .87). The individualism (IDV) and collectivism (COL) dimensions were identified using Gudykunst’s (1998) categorization. Each subscale had adequate internal reliability (IDV α = .82, COL α = .76).

Need for humor (NFH) was measured using a revised form of the scale developed by Cline et al. (2003). As this scale was developed in the United States and had not been comprehensively tested in other cultural contexts we undertook scale validation and refinement in Australia with a multicultural sample of 234 undergraduate students. The data was examined through an iterative process involving exploratory factor analysis (EFA) and confirmatory factor analysis (CFA). The results loaded on the expected two factors but despite the expected minimal cultural difference between the United States and Australia, removal of one contentious item and refinement of wording in three other items in the NFH scale was required to attain adequate reliability.

Subsequently, iterative translation and back translation of the NFH into Mandarin was undertaken by two bilingual Chinese academics to ensure conceptual equivalence for all scales. Internal reliability for the scale was satisfactory and consistent across cultures (Cronbach’s $\alpha =$ .84 (PRC .83, AUS .84, USA .86) and the 11 items loaded on the expected two factors (eigenvalues 4.336, 1.764 explaining 55.45% of variance). To capture extreme levels of NFH, participants were then categorized as either high or low in NFH based on a quartile split.

Need for cognition (NFC) was measured using the 18-item scale developed by Cacioppo and Petty (1982; Cacioppo et al. 1984). Internal reliability for the scale was satisfactory and consistent across cultures (Cronbach’s $\alpha =$ .83 (PRC .81, AUS .82, USA .82) and EFA indicated a single dominant factor (eigenvalue 5.397 accounting for 29.98% of variance). Consistent with NFH, participants were categorized as either high or low in NFC based on a quartile split.

Construct equivalence for each scale was tested through translation/back translation (Brislin 1970) for the Chinese version. Measurement equivalence was ensured with consistent use of seven-point scales, and semantic differential anchors were tested with the back translation process.

**Stimulus.** To manipulate aggressive theme strength, we developed three versions of a television advertisement (highly aggressive, mildly aggressive and not aggressive) for a fictitious brand of energy drink. The stimulus advertisements were created with the assistance of an international advertising agency to ensure that production quality was as high as possible (Eisend 2009). A fictitious brand of energy drink was devised, selected from the product category which most commonly uses humor appeals. Energy drinks are a familiar product in all three national contexts, predominantly targeted at young, urban dwelling individuals, increasing functional equivalence of the product category as selected.

The humor mechanism used in the ads was incongruity-resolution contrast (Raskin 1985). Agency creatives worked with the researchers to develop the product, brand, ad message and execution. Testing of concepts and specific ad elements was undertaken in parallel with the ad development process at all stages. In order to ensure that the ads were as equivalent as possible, bar the manipulation of theme, the ads were developed in a ‘donut’ format, with beginning and ending identical, and the middle sections encompassing the manipulation of escalating levels of aggressive theme. The ads were filmed with two Caucasian actors and voiceovers added for the Mandarin versions by two Chinese actors.

Conceptual equivalence testing of the stimulus was undertaken with a multicultural sample of university students in conjunction with manipulation testing which indicated that the manipulation was perceived accurately. Results from recall and comprehension items in the instrument indicated participant understanding of the key elements of the ad, confirmed through interviews with a small sample of participants.

**Dependent Measures.** Four quantitative dependent variables were measured in the study. Aad was measured...
with a seven-item, seven-point semantic differential scale (strongly persuasive/not at all persuasive, very appealing/not at all appealing, not easy to forget/ easy to forget, effective/not effective, believable/ not believable, informative/ not informative, original/not original, with the 3rd, 5th and 6th items reverse-scaled, coefficient α = .92). A p was measured with a two-item scale (likeable/unlikable, good/bad, α = .90). PI was measured with a single-item scale (likely/unlikely, α = .89). Perceived humor strength was measured with a single-item seven-point semantic differential scale (I found this ad extremely funny/not at all funny). One item was included as an additional manipulation check, asking to what degree the central character in each ad displayed anger (high degree of anger/not at all angry).

Procedure. Participants were informed that the study was commissioned by a television production company concerned with their reactions to the first of a projected series of short documentaries. An 8 minute segment of a travel documentary was selected as the core of the treatment with both English and Mandarin audio tracks. Five filler ads and one version of the stimulus ad were placed around the documentary to form the treatment. Filler advertisements were selected from television ads never broadcast in the subject countries to control brand familiarity.

After watching the video, participants completed the NFH and NFC scales and the Schwartz Value Survey (SVS) with demographic indicators. Each ad was then shown individually, with participants recoding their responses on ad effectiveness measures (Ae, Ap, Pl), perceived humor strength and the manipulation of aggressive theme.

RESULT

FIGURE 1 Means Plot Of Perceived Humor

HIDV – subjects with highest 25% of individualist values
HCOL - subjects with highest 25% of collectivist values

To further explore this effect, the data was split by quartiles on IDV score and regression analysis was performed by treatment condition. For Treatment 1 (no Aggression) and Treatment 2 (mild Aggression), no significant effects were observed. In Treatment 3, the interaction of IDV and Aggression was significant, indicating a pure moderator effect (Baron and Kenny, 1986). The incremental increase in r-square ($R^2 = .629$) was significant, $F (1, 45) = 90.943, p < .001$, indicating that perceived humor varied with the level of Aggression; thus providing support for H1a.

Manipulation checks

A pretest of the manipulation of humor theme was conducted with 86 multicultural undergraduate marketing students at a major Australian university. An analysis of variance examined the impact of the theme treatment on perceived humor with four items assessing the perceived intensity of aggression/hostility, physical violence, laughing at someone’s pain, and the anger displayed in the ad. A significant difference was revealed between the three conditions on all four items ($F = 43.22 – 13.82, df = 2,84, p < .001$), indicating that aggression was perceived as increasing across the three levels of treatment.

One item on a seven-point semantic differential scale was included in the experimental instrument as an additional manipulation check, asking whether the main character in the ad displayed anger (high degree of anger/not at all angry). Perceived anger scores were subjected to analysis of variance by treatment condition ($F = 54.338, df = 2, p < .001$). All three means of the responses were significantly different from each other by the Tukey standard. The theme manipulation, therefore, achieved its desired effect.

HYPOTHESIS TESTING

Hypothesis 1 suggests that under low aggression conditions, high individualism (HIDV) subjects will perceive less humor than high collectivism (HCOL) subjects and under medium to severe aggression conditions, HIDV subjects will perceive greater humor in the ad than HCOL individuals.

A simple means comparison of PH by Treatment condition indicates the differing responses of HIDV and HCOL subjects to the level of aggression in theme as illustrated in Figure 1:

The same process was followed testing COL as a potential moderator. COL alone was not a good predictor of PH ($R^2 = .006$), with an insignificant effect of adding Aggression ($R^2 = .012$) and no significant change when adding the interaction term ($R^2 = .002, F (1, 701) = .296, p = .587$). This indicates that the level of aggression of Theme does not moderate the effect of Collectivism on Perceived Humor and thus H1b is not supported.

A one-way between groups ANOVA was conducted to explore the impact of HIDV/LIDV on perceived humor when level of aggression in humor theme was high. There was no significant difference between groups ($F (1, 112) = 3.773, p = .336$) indicating that there is no support for H1c that subjects with high individualist values perceive more humor in aggressive themes than subjects with low individualist values.

A further one-way ANOVA was conducted to explore the impact of HCOL/LCOL on perceived humor when level of aggression in humor theme is low. There was no significant difference between groups ($F (1, 112) = 2.045, p = .155$) providing no support for H1c that subjects with high collectivist values perceive more humor in aggressive themes than subjects with low collectivist values.

Hypothesis 2 predicts that for subjects with high need for humor (HNHF), the influence of perceived humor (PH) on effectiveness measures will be positive and significant, while for low need for humor (LNHF) subjects, the effect will be positive but weaker (or non-significant). Using a quartile split, data on NFH was divided into HNHF (top 25% of scores), medium and LNHF (lowest 25% of scores). A means comparison of NFH by ad effectiveness
measures ($A_{ab}$, $A_b$, PI) indicates the differing responses of HNFC and LNFH subjects to the stimuli as illustrated in Figure 2.

From Figure 2 (Panel A), it can be seen how an individual’s NFH score influences their attitude to the ad. The variance in NFH scores indicates that higher NFH elicits a more strongly positive $A_{ab}$. Figure 2 (Panels B and C) indicate a positive effect of higher NFH on attitude to the brand and purchase intention. Subsequently, three separate sets of moderated regression were run with $A_{ab}$, $A_b$, and PI as the dependent variables, and PH and HNFH as the independent variables. Assumption testing indicated possible multicollinearity effects disturbing results so all variables were mean centered (Aiken and West 1991).

Hypothesis 3 states that the positive influence of perceived humor on advert effectiveness will be moderated by an individual’s need for cognition (NFC). Using a quartile split, data on NFC was divided into HNFC and LNFC. A means comparison of NFC by ad effectiveness measures ($A_{ab}$, $A_b$, PI) indicates the differing responses of HNFC and LNFC subjects to the stimuli as illustrated in Figure 2. From Figure 2 (Panel A), it can be seen that higher NFC elicits a slightly stronger positive $A_{ab}$. In contrast, higher NFC is associated with decreased attitude to brand and purchase intention as illustrated in Figure 2 (Panels B and C).

Three separate sets of moderated regression were run with $A_{ab}$, $A_b$, and PI as the dependent variables, and PH and HNFH/LNFC as the independent variables. The main effect of PH on $A_{ab}$ was significant and positive, though weaker for LNFC subjects. Neither the main effect nor any interactions with NFC were significant. The interaction of HNFC and PH was significant for $A_{ab}$, thus, consistent with H3a, HNFC is a moderator for $A_{ab}$ but not for either $A_b$ or PI.

While all interactions were positive for HNFC subjects, for LNFC subjects interactions were insignificant and both $A_{ab}$ and $A_b$ were negative, indicating that LNFC weakened the relationship between PH and the dependent variables, providing support for H3b.

**DISCUSSION**

The purpose of our study was to determine how individual differences impact on responses to standardized humorous television advertising. Through the experimental design we were able to determine both similarities and differences in audience reaction across three national cultural contexts.

The results partially support the proposition that individual-level culture on the dimension of individualism/collectivism has a positive impact on perceived humor in an ad, moderated by the level of aggression of the humor. Highly idiocentric individuals perceive more intense humor when aggression levels are high. This provides further evidence for the self orientation that derives pleasure from the pain or misfortune of others, or schadenfreude. While the most strongly positive perceptions of humor at high levels of aggression were found in the Chinese subjects, this may be at least partly attributable to the race of the actors in the stimulus ads. The concept of Europeans hurting each other could be seen as highly amusing as it does not violate the harmony of the Chinese race, and may play into stereotypes of violence portrayed in foreign entertainment media.

While collectivism is usually seen as the opposite end of the continuum to individualism, there was no moderating effect of level of aggressive theme on the relationship between allocentrism and perceived humor. These HCOL individuals did perceive greater humor in the non-aggressive condition, and the intensity of the humor declined as aggression increased, but the effect was not significant. Surprisingly, the greatest proportion of HCOL subjects was found in the United States (45.7%), with Australia close behind (39.9%) and the PRC a distant third

**FIGURE 2** Means Comparison Of Ad Effectiveness By Nh And Nfc

![Figure 2](image)

NFH – individual Need for Humor score
NFC – individual Need for Cognition score
(14.5%). This may have impacted on the downward trend in PH in the USA as aggression increased. De Mooij (2009) highlights the cultural paradox that individuals may hold both individualistic and collectivist values concurrently, and it appears likely that those strong collectivist values in US students outweighed their individualistic tendencies in situations of simulated violence.

One possible explanation for this result is that US students live in a society where violence and aggression are omnipresent through popular entertainment, media and the community. The link between fictional and authentic aggression is perhaps more obvious leading to a lesser appreciation of its inclusion in humorous appeals. While both Australia and China live with similar media environments, the level of societal violence is much lower, allowing them to suspend disbelief in pictorial aggression more easily.

The influence of the psychological differences amongst subjects was more evident with both need for humor and need for cognition moderating the positive impact of perceived humor on advert effectiveness. The link between humorous appeals and attitude to the ad is well established (Eisend 2009) and our results provided evidence that segmenting audiences by NFH and NFC is both possible and of value to practitioners.

While the moderators were not significant for attitude to brand or purchase intention, this is not surprising. Brand preference is formed through learning – often via conditioning which inherently assumes repetition. The stimulus ads used a fictitious brand, completely unfamiliar to the audience, thus failure to form a strongly positive attitude to the brand in our stimulus ad when it is seen only once is not surprising. Purchase intention was also weak, partly because of the inability to form brand preference on such short exposure, especially for a fictitious brand.

Pragmatic implications of this research include evidence supporting the creation of standardized humorous advertisements that will retain acceptable levels of effectiveness when used in multiple national cultural contexts. Segmentation of consumers along the dimensions of need for humor and need for cognition can increase the effectiveness of such ads. Frequent consumers of humorous media including television, cinema and online may be accessed with such standardized humorous ads, with positive effect.

LIMITATIONS AND FURTHER RESEARCH

Internal validity of these studies is high but external validity is limited to the cohort under investigation. The target audience for the stimulus ad was young, educated, middle-income urban dwellers. Those outside the target group may have less cultural convergence, particularly in China due to lower access to global media, lesser consumption choices, and more modest income. In addition, further research is needed to evaluate within-culture and between-culture differences in humor content preferences, and how these may alter longitudinally. While the sampling frame selected for this study enabled strong comparability across cultures based on demographic characteristics, future research should investigate alternative segmentation variables including psychographic and behavioral through subcultures or tribes (Cova and Cova 2002).

Investigation of responses to humor is always complex with a plethora of potential influences on reactions. The content of the humor, executional variables, context and individual differences within audience members all require systematic exploration to determine the criteria for messages that are transferable across cultural borders while retaining effective levels of perceived humor.

REFERENCES


Cline, Thomas W., Moses B. Altsech, and James J. Kellaris (2003), "When Does Humor Enhance or Inhibit Ad Responses?", Journal of Advertising, 32 (3), 31-45.


Portrayal of Women in Indian English Print Advertising - A Longitudinal Study of Advertising in Femina Magazine over the last 50 years

M G Parameswaran, Draftfcb Ulka / SIMSR, India*
R K Srivistava, SIES, India

ABSTRACT
Role of a woman in the Indian society is slowly but steadily changing with increased literacy, increased emphasis on education and greater work opportunities. Femina, India’s leading English woman’s magazine, offers a window dating back 50 years on how women have been portrayed in advertising. The analysis of portrayal of women in English print advertising in the Femina magazine reveals that just as in society their presentation in advertising too has steadily changed.

INTRODUCTION
India is a country in transition. An economy that has shown among the highest growths over the last decade, an increasing influx of women into workforce, a growing literacy rate, and a growing appetite for branded goods, the Indian market has been witnessing some remarkable changes. The wind of liberalization that started blowing in 1991 seems to have gathered steam over the last ten years. While the developed world is staring at a recession in 2009-10, India (and its big brother China) are expected to provide some hopes of economic growth.

With the increased pace of urbanization and growing number of women in the work-force, it would be interesting to see how Indian packaged goods brands have been portraying women in their advertising. Using advertising library services television advertisements for packaged goods from the years 1987, 1997 and 2007 were analyzed using proven content analysis methods. The results reveal that Indian women as portrayed in the television advertising of packaged goods has not changed much except for external appearances such as dress and religious marks. This seems to defy the commonly held perception that greater number of Indian women are today joining the workforce and are keen on having their spouse share some of the household chores.

Femina India’s leading English women’s magazine has been a window to the upper class Indian woman. The magazine completed 50 years of publication in 2009 and was generous in offering access to their archives. Advertisements features women were analyzed.

LITERATURE REVIEW
Arvind Rajagopal (1998) observed that “Advertisements constitute an archive of efforts at micro ecological changes in social orientation that has often not received its due attention”. Studies have been done to analyze cultural values in Arab and American Television Advertising (Morris Kalliny and Lance Gentry 2007), Contemporary US female perspective of female role portrayal in advertising (John B. Ford and Michael S. Latour (1996) speak of the apathetic results from India and China. They indicate the more traditional nature of the society causing an issue on how respondents react to the stimulus used in research. Researchers who have done depth analysis of Indian advertising and the way they portray sex roles (Arvind Rajagopal 1998; Abhik Roy 1998; Alladi Venkatesh 1994) point towards certain common paradigms. Indian advertising according to some of them has broken away from the British ideology and embraced the Indian socio-cultural symbolism; this trend was noted to have started showing more women in non-conventional roles; however the pull towards maintaining traditional roles remains very strong (Alladi Venkatesh 1994). As Abhik Roy (1998) observes “By portraying her in the stereotyped roles of a wife and mother, Indian television advertisements legitimized the sexist ideology that confined women to such circumscribed roles.”

Another interesting aspect that these researchers point towards is the predominantly Hindu portrayal of women, in traditional Hindu clothing (saree) with the caste marks of a traditional Hindu (Bindi, Mangalsutra, Sindoor). Abhik Roy (1998) speaks of the singular absence of Christian or Muslim women across advertising of varied products.

As Leena Fernandez (2000) points out, cultural and social disruptions that have been brought about due to the rapid pace of liberalization and economic growth are actually being negotiated through new relationships between consumer and media. Advertising in that sense is playing a slowdown effect on the change.

How has the Indian consumer changed? And how have Indian women changed?

Rama Bijapurkar and al (1994) in their ESOMAR paper point towards the emergence of the “post-liberalization” generation in India. They point towards the emergence of a new thinking, questioning woman who is breaking the stereotypes of self-sacrificing wife/ mother. Study done by Cogito Consulting of DraftFCB Ulka Advertising (Woman Mood 2000; Woman Mood 2006) points towards a changing mindset of the urban women. From that of the aggrieved wife to that of a family partner. The relationship between husband and wife has undergone a significant change with the woman playing a more significant role. The urban women are now expressing a desire to work, part-time to start with, in soft jobs. However over the last ten years their centre of focus has not changed and continues to be children and their future.

Roopa Purushotaman (2008) speaks of the rapid rise of women employment. Quoting the National Sample Survey Organization (NSSO) Purushotaman points out to the growth of women employment in work force from 26% in 2000 to 31% in 2006. The increase in women
employment has been enabled by rise in women education and a slowing fertility rate (from 4.5 in 1980-85 to 3.1 in 2000-05, expected to go lower that 2 by the year 2025). Indian census has also reported an increase in the number of female head of households (from 9% in 1991 to 12% in 2000-01). While the average age of marriage has now reached 20, still young, it was as low as 17.1 three decades ago in 1971. Women are making their presence felt across several diverse sectors. Women chartered accountants now account for 13.1% of CAs as against 5.2% in 1995; women in the I.T. industry work force grew to 30% from 24% in 2004. Purushotaman also points out that between 1980 and 2002, the number of university women per 100 studying in commerce-related degrees nearly quadrupled to 63 from just 16. For engineering and technical degrees, the ratio of women per 100 men grew to 33 from just 8. Indian women seem to be changing, both in demographic terms as well as attitudinally. So it was felt that it would be interesting to examine how they are being portrayed today compared to ten and twenty years ago in packaged goods television advertising where they are the key target consumers.

RESEARCH OBJECTIVE & METHODOLOGY

Femina magazine is a fortnightly English women’s magazine, owned by Worldwide Media, a 50:50 joint venture between BBC Worldwide and The Times Group. Largely read by SEC A women, it features articles on Relationships, Beauty, Fashion, Cuisine, Health and Fitness. It also features articles on celebrities and various cultural facets of Indian women. Published first in July 1959, it has since become India’s leading women's magazine. It pioneered several initiatives like the Femina Miss India beauty pageant (1964). From 1994 to 1999, it also sponsored the Femina Look of the Year contest to send an Indian contestant to the Elite Model Look competition.

From the elite to the upper-middle class women, Femina has been in the hands of women who want to stay ahead of their peers. From the new working woman to the well settled housewife, Femina Magazine has something for women across ages, mirroring their progress and development. As the most widely read women’s English magazine, Femina has been instrumental in representing the developing Indian women over the years. As given in the tables below, Femina has a readership of 282,000 adults.

Femina made available to Draft FCB Ulka its archives of 50 years of Femina magazine, over 1000 issues. From these 1000 issues, 532 ads were selected through a stratified random sampling methodology.

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<td>112</td>
<td>104</td>
<td>104</td>
<td>107</td>
<td>105</td>
</tr>
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</table>

About 100 advertisements were selected to represent each decade using a random sampling method. The ads were then analysed using a set of well-defined variables. The entire process took a period of four weeks and was conducted at the Femina archives department. Only ads with illustrations, photographs or visuals of women were used so that a richer array of both verbal and non-verbal themes about women could be examined. The international methodology of content analysis used by Belk and Poilay (1985a) was adapted for the purpose of the study.

Two researchers, both graduates of business management and Draft FCB Ulka employees from the strategic planning department were trained for content analysis of the print ads. Inter-coder reliability ranged from 85% to 98%, which was acceptable according to Gilly (1988). Consistent with the procedures of Schneider and Schneider (1979a) and Gilly (1988), disagreements among the coders were settled via discussion and consensus. The code with the most logical reasoning was accepted. Although investigations of gender stereotyping in advertising have been undertaken in several geographic areas, no such study has been done in the Indian geography. Understanding the sex role portrayal of women in India through press advertising in one of the leading women’s magazine, is a new area of research and hence was felt to be of immense value.
Most of the studies that analyze women’s role in magazine print advertising refer to the seminal work of Courtney and Lockeretz (1971) who are considered the pioneers in this field. They found that women were portrayed with four distinct characteristics:

- A woman’s place is in the home;
- Women do not make important decisions or do important things;
- Women are dependent and need a man’s protection;
- Men regard women primarily as sexual objects and are not interested in women as people.

Taking these theories and other papers within this genre in consideration, our study set out certain parameters to study. Based on these parameters, our team delved into five different dimensions. These include:

- **Product Category**: Home/Personal Care, Apparel/Accessories, Food Products, Services, Home and Electronic Appliances, Others

### RESULTS

Within Product Category, we categorised products under Home/Personal Care, Apparel/Accessories, Food Products, Services, Home and Electronic Appliances and Others. Amongst these, there were some noticeable trends.

**Home/Personal Care & Food Products**: Products like soaps, shampoos, talcs, hair oils, creams, conditioners, deos, moisturisers, toothpastes, make up etc were all covered within the sub-category of Home/Personal Care. In the 60’s, the level of advertising for Home/personal care products were at its all time high. Every decade thereafter has witnessed a drop in the percentage of ads of this sub category; from 52% of all the ads from this sub-category in the 60’s the category now accounts for only 23%.

The Food Products sub category included retail fast food outlets, grocery stores, beverages, food items, cooking oils, ice cream, ready to eat food, confectionary, snacks etc. There was also a decline from 15% of ads featuring such items in the 60’s to just 6% of ads in the 2000s.

The steady decline of the popularity of both these sub categories can largely be attributed to the change in media consumption habits of SEC A Indian woman. The growth of television as a mass market medium may have contributed to the decline of these categories in print medium.

Not just this, but also that these categories could be showcased better through the medium of television. Displaying food products, and or showing them being cooked, depicting one’s reaction to them were all better reached through television.

From the days of Doordarshan to the explosion of both domestic and international channels today, the medium of television has come a long way. At present TV in India covers about 78% of all homes in urban India, hence becoming the dominant medium for advertisers of packaged goods brands.

**Apparel/Accessories**: Another observation is the strong surge in the Apparel category. The 1960s marked the beginning of a decline in this sub category. From 27% in the 1960s to 21% in the 70s, down to its lowest at.12.5% in the 1980s. However, the scenario in the 1990s began to change and apparel brands contribution increased to 31% and now, in the 2000s, it stands at 34%, an all time high.

**Services**: Within the services subcategory we included banking and financial services, telecom, travel and tourism etc. While the prevalence of advertising for

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**Table 4.1: Parameter 1: Product Category**

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<td>33</td>
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<td>23</td>
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<td>4</td>
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<td>Base 112</td>
<td>Base 104</td>
<td>Base 104</td>
<td>Base 107</td>
<td>Base 105</td>
</tr>
</tbody>
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Setting of Advertisements: Home, Shopping, Outdoor, Workplace, Other

Role of Women: Spouse, Parent, Friend, Girlfriend, Sex Object, Homemaker, Working Woman, Real Life Celebrity, Other

Attire: Sari, Salwar Kameez, Desi Western, Western Casual, Western Formal, Other

The ad emphasis: Practical/Functional, Luxurious/Plausible, Beautiful/Pretty, Prestigious, Foreign, Economical, High Quality, Have Fun, Science/Technology, Product Performance, Variety, Certified, History of Company, Price, Widely Accepted, Wealth/Prominence/Success, Other

Analysis was done on a decade-wise basis to develop a trend in the portrayal of women in the advertisements that have appeared over the last 50 years in Femina magazine.
services has always been low, the recent decade has seen a shift wherein we find a rise in services advertising, from just 6% in the 60’s to 14.5% in the 2000s. As women have an increased say in the financial matters at home today, as well are asserting their own independence in society, advertising of financial services and telecom may become more popular, in print medium

Home: Ads with women being portrayed in settings of the home were rising from the 1960’s where is amounted to 40% of total ads and to a high of 57% to the 80’s. However, there was a significant dip in the percentage in the 90’s, to 28%. In the 2000’s, it has fallen even more to 19%. Conversely, the percentage of ads set in outdoor locations has been increasing. From 20% in the 1960’s to 35% currently, there has been an obvious change in the locations portrayed in the print advertisements. There has been a significant shift with Indian women exploring avenues beyond her home. From the days of the 60’s to the new millennium, women have gradually begun to explore options outside of the house, and not be caged to the confines of her home. Similarly in our study WomanMood I and WomanMood II, we found that women were accepting and wanting to step outside and explore the opportunities outside her home, be it visiting a bank, dropping or fetching her children from school, going shopping or taking up part-time or full time employment.

Women are consciously increasing their socialising with peers, friends and colleagues further experimenting with the avenues available to her. Studies also show that the most enjoyable activities for a woman are socialising and relaxing by going out of her home for shopping, browsing etc.

Workplace: From no ad portraying a woman in a workplace environment in the 60’s, we now see about 7% of all the ads depicting women in office like surroundings. Our woman today is more than just a daughter, a wife or a mother. She is either working or has clearly expressed the desire to do so, even in smaller towns, let alone the bigger metropolitan cities. This changing attitude seems to be reflecting in the presentation of women in the print advertisements. Print advertisement present women in many different roles, as can be interpreted from the visual and copy elements in the ad.

Table 4.2: Parameter 2: Setting

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<td>57</td>
<td>28</td>
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<td>Base</td>
<td>112</td>
<td>104</td>
<td>104</td>
<td>107</td>
<td>105</td>
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</tbody>
</table>
Traditionally, the Indian woman was always seen as the mother, the wife and the homemaker. Home pride was of prime interest to her and success was only derived from that of her children and spouse. Her personal contribution to that success was only at the backend ensuring that home was perfect. Hence, we can see an increase in the depiction of women in this role, increase from 33.5% in the 60’s (combining Spouse at 8%, Parent at 13.5% and Homemaker at 12%) to 62% in the 80s.

While it is true, by women’s own admissions, that mothers-in-law are more tolerant and husbands less repressive, and she has equal voting rights on family issues, her own desire of exploring and showcasing her personality also play a role in her confidence today. The concept of family has changed from a predominantly social unit to one which is both, social and an economic unit. Hence with the growing popularity of portraying women as being more than just wives or homemakers, in the 2000s we notice that the percentage of advertisements depicting women in such roles has declined steeply to 23.5%. (Spouse/ parent/ homemaker) from 62% in the 80’s.

**Spouse, Parent & Home Maker:** Traditionally, the Indian woman was always seen as the mother, the wife and the homemaker. Home pride was of prime interest to her and success was only derived from that of her children and spouse. Her personal contribution to that success was only at the backend ensuring that home was perfect. Hence, we can see an increase in the depiction of women in this role, increase from 33.5% in the 60’s (combining Spouse at 8%, Parent at 13.5% and Homemaker at 12%) to 62% in the 80s.

While it is true, by women’s own admissions, that mothers-in-law are more tolerant and husbands less repressive, and she has equal voting rights on family issues, her own desire of exploring and showcasing her personality also play a role in her confidence today. The concept of family has changed from a predominantly social unit to one which is both, social and an economic unit. Hence with the growing popularity of portraying women as being more than just wives or homemakers, in the 2000s we notice that the percentage of advertisements depicting women in such roles has declined steeply to 23.5%. (Spouse/ parent/ homemaker) from 62% in the 80’s.

**The Working Woman:** The percentage of working women in India in SEC A and B but is still low, it has been increasing over the years. Currently, the percentage of working women in SEC A in India is only 16.5%, in SEC B it is 14% and in SEC C it is 11.4%. As we can observe in the table above, for 30 years, from the beginning of the 60s to end 80’s, working women were shown in only 3% of ads, however in the 2000s, this has increased to 16%!

Globalization has raised hopes of women for a better and elevated status arising out of increased chances to work. The increased exposure to media has also triggered the desire for taking up work outside home. Our Woman Mood II had pointed to this trend. The increased portrayal of women in working roles in the advertisements just reflects this reality.

**Sari:** As a preferred dress option of depicting women, saris, seems to be on its way out. From over 56% of the ads depicting women in sari in the 60’s to only about 6% of the ads showing women in sarees today, there has been a huge dip. Reasons could possibly include the large number of options available today. Saris are strongly giving way to western formal wear. The illustrations of women clad in casual western wear have risen from 14% in the 60s to 42% in the 2000s.

**The Sex Object:** There is a simple reason why women are being projected as the sex object more regularly in advertising today. Women want to look good as they are stepping out of their home more and more.

From a mere 2.5% in the 60’s, to 12.5% of all the ads in the 2000s, women are being presented as sex objects, as objects of desire.

**Table 4.3: Parameter 3: Roles of Women**

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**Table 4.4: Parameter 4: Attire**

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<td>3</td>
<td>5</td>
<td>27</td>
<td>5.5</td>
<td>23</td>
</tr>
<tr>
<td>Other</td>
<td>20</td>
<td>18</td>
<td>10</td>
<td>23</td>
<td>13</td>
</tr>
<tr>
<td>Base</td>
<td>112</td>
<td>Base 104</td>
<td>Base 104</td>
<td>Base 107</td>
<td>Base 105</td>
</tr>
</tbody>
</table>
Table 4.5: Forehead Mark

<table>
<thead>
<tr>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Bindi</td>
<td>45.5</td>
<td>43</td>
<td>46</td>
<td>23</td>
<td>5.5</td>
</tr>
<tr>
<td>No Bindi</td>
<td>54.5</td>
<td>57</td>
<td>54</td>
<td>77</td>
<td>94.5</td>
</tr>
</tbody>
</table>

We see that not only are Indian women shown in western wear, but they also are shown devoid a bindi! We can observe that there is not much change in the preference of showing salwar kameezes, from 7% in the 60s to 9% in the 2000’s, yet the existence of adorning one’s self with a bindi appears to be negligible today. From the prevalence of a bindi reaching 45.5% in the 60’s to a mere 5.5% in our current date, the journey has been drastic. However, this dip is noticeably only from the 90’s where in it fell to 23% from 46% in the previous decade, in the 80s.

An important aspect about bindis is that they go well with Indian clothes. But if western clothes are more prevalent in advertising, it is but natural that the use of bindis in these ads would be less. About 71% of all the attire shown in the advertisements in the 2000s are western looking. Hence automatically these 71% of the ads, will not be able to carry out the imagery of the bindi – purely to match the attire of the protagonist in the images. Along with this, there could also be some image perceptions for the bindi. Probably dismissing the bindi as too traditional a symbol, or belonging to a particular religion – the advertisers are rejecting the use of the bindi that used to be extremely popular back in the 60’s.

Ads were analyzed to identify the dominant benefit that was emphasized. We then classified each ad into a sub category that best described the emphasis or genre – ranging from practical/functional to prestigious to variety to product performance.

Table 4.6: Parameter 5: Ad Emphasis

<table>
<thead>
<tr>
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<th></th>
<th></th>
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<th></th>
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</thead>
<tbody>
<tr>
<td>Practical /Functional</td>
<td>21.5</td>
<td>14</td>
<td>23</td>
<td>16.5</td>
<td>11</td>
</tr>
<tr>
<td>Luxurious/Pleasurable</td>
<td>7.5</td>
<td>17</td>
<td>14</td>
<td>14.5</td>
<td>16</td>
</tr>
<tr>
<td>Beautiful /Pretty</td>
<td>23</td>
<td>5</td>
<td>9</td>
<td>12</td>
<td>5</td>
</tr>
<tr>
<td>Prestigious</td>
<td>1.5</td>
<td>7</td>
<td>6</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>Foreign</td>
<td>1.5</td>
<td>0</td>
<td>1.5</td>
<td>3</td>
<td>1.5</td>
</tr>
<tr>
<td>Economical</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>High Quality</td>
<td>9</td>
<td>7</td>
<td>6</td>
<td>3</td>
<td>1.5</td>
</tr>
<tr>
<td>Have Fun</td>
<td>1</td>
<td>7</td>
<td>9</td>
<td>3</td>
<td>5</td>
</tr>
<tr>
<td>Science/Technology</td>
<td>2.5</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1.5</td>
</tr>
<tr>
<td>Product Performance</td>
<td>26.5</td>
<td>29</td>
<td>21</td>
<td>29</td>
<td>27</td>
</tr>
<tr>
<td>Variety</td>
<td>2.5</td>
<td>5</td>
<td>3</td>
<td>7</td>
<td>8</td>
</tr>
<tr>
<td>Certified</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>History of Company</td>
<td>2.5</td>
<td>0</td>
<td>1.5</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Price</td>
<td>0</td>
<td>2</td>
<td>1.5</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Widely accepted</td>
<td>0</td>
<td>5</td>
<td>0</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Wealth/Prominence /Success</td>
<td>0</td>
<td>2</td>
<td>0</td>
<td>0</td>
<td>1.5</td>
</tr>
<tr>
<td>Others</td>
<td>0</td>
<td>0</td>
<td>4.5</td>
<td>3</td>
<td>15</td>
</tr>
<tr>
<td>Base 112 Base 104 Base 104 Base 107 Base 105</td>
<td></td>
<td></td>
<td></td>
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</table>

Practical/Functional: Ads classified within this category included brands of ovens, microwaves, refrigerators etc. In the 60’s the percentage of ads within this category was 21.5%. However in the 90’s, this fell it 16.5% and then to 11% in 2000s.

Luxurious/Pleasurable: Ads in this sub category included perfume brands, international fashion brands, high end phones etc. From only 7.5% of the advertisements in the 60s focusing on this sub category to more than double that percentage to 16% in 2000s, this sub category is on its growth path of advertising in magazines.

Beautiful/Pretty: Ads in this sub category included shampoos, soaps, make up etc. Whilst 23% of the ads focused on this sub category in the 60s only 5% of the ads in the 2000s concentrate on them.

Variety: A small percentage, 2.5%, of the ads in the 60s concentrated on variety. Whilst this has only grown to 8% in the 2000s, there seems to be a shift towards individualism and individual expression – hence calling for more variety within the market, one that suits different moods and different personas of the individual. With brands displaying complete collections, one becomes more aware of the larger variety available.

Other areas of the ad emphasis did not see much fluctuation over the years. Prestigious emphasis stayed between 7% and 6% from the 1970s to the 2000s; ads
focusing only on being foreign were even lower ranging from 1.5% to 3% over the years; High Quality emphasis started at 9% in the 1960s and down to 1.5% in the 2000s; Having Fun averaged at 5% over the years; Science and technology led ads made up 2.5% of the advertising in the 1960s to 1.5% post the millennium, and Product performance has always been fairly consistent around 27% level.

We noticed three key trends
Practical/functional has seen a steady decline (from 21.5% to 11%) possibly indicating that advertisers are today striving to offer more values through their advertising; Luxurious/pleasurable has seen a steady increase (from 7.5% to 16%) indicating that brands are trying to appeal to higher order senses; Product Performance has stayed constant at almost 26%.

DISCUSSION & IMPLICATIONS

The role of women in the Indian family life has undergone significant change. As an educated house-wife or as a working woman she is aspiring for a respectable place in society.

Studies such as DraftFCB Ulka’s Woman Mood II have pointed towards the strong desire of urban Indian women to work. While actual percentage of working adult women in the SEC A and B classes are not even exceeding 20%, the desire seems to be strong and burning.

Indian women are also embracing new forms of attire, as evidenced in the Hindi films, popular television programmes and reality shows. Though the saree is the dominant attire in urban and rural India, the upmarket women are today open to discard the saree from their daily wear routine.

The study of women as presented in the print advertisements of Femina magazine over the last 50 years confirms some of these observed facts. The advertisements show women in newer roles, not just as parent/spouse/homemaker. The ads also show them in western attire and not just in a saree or a salwar kameez. The bindi is now almost totally missing though we are still predominantly Hindu in composition and also very religious.

The longitudinal study of Femina magazine advertisements is a pioneering study, a first of its kind. The lessons learnt here could be cross verified by conducting similar studies across women magazines in other languages.

ACKNOWLEDGEMENTS

We owe a deep debt of gratitude to Mr. Tarun Rai, Ms. Prachi Tiwari of Worldwide Media for all the support and encouragement. The ad first level analysis and coding was done by Carl Daji, Sanjesta Laiwani and Aaliya Chichgar, all then with DraftFCB Ulka advertising. Their contribution is gratefully acknowledged.

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Consumer Response to the Portrayal of Older People in TV Advertising: Empirical Evidence from Japan

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Michael Prieler, Hallym University, Korea
Shigeru Hagiwara, Keio University, Japan

EXTENDED ABSTRACT

CONCEPTUALIZATION

This paper aims to contribute to the state-of-the-field of research on older consumers and advertising in general and the Japanese older consumer in particular. It focuses on consumer response to the portrayal of older people in advertising (TV commercials), based on a large sample survey conducted in Japan.

Television is an important agent of socialization research shows that advertising teaches people about social roles and values. Empirical evidence indicates that aging and exposure to mass media advertising may affect several aspects of the consumer behavior of older people including the rejection of negative or non-desirable portrayal of older people in advertising. Besides, despite the fact that older consumers mostly reject the notion that they are influenced by television advertising, other evidence suggests that advertising in the media, and television especially, can play a part in shaping older consumers’ product preferences. Against this backdrop, it is obvious that studying the portrayal of older people in advertising as well as the consumer response to this portrayal are of utter importance to marketing researchers and practitioners alike.

METHOD

We contracted a Japanese professional marketing research company experienced in academic research to carry out an online survey using the company’s regular consumer panel. Members of the panel were quota sampled based on age and gender in accordance with their actual distribution in the Japanese population through a two-stage sampling process. Respondents came from all 47 prefectures across Japan and were aged between 20 and 79. As this paper deals with the response of older consumers to their portrayal in TV commercials, we only included data from respondents aged 50 and older (N=911) and then split them among two age groups: 50-64 (N=567) and 65plus (N=344).

The attitudes of the respondents toward the portrayal of older people in TV commercials were measured using a five-point Likert-type scale ranging from strongly disagree (1) to strongly agree (5). A total of 15 statements dealing with the portrayal of older people in advertising were adapted from previous research and based on a principal component analysis summated scales were created for each component consisting of the individual items. 1) Perceived negative portrayal scale with 6 items, the perceived stereotypical/inaccurate portrayal scale with 5 items and 3), and the purchase intention scale.

MAJOR FINDINGS

Our results indicate that our respondents perceived the portrayal of older people in TV commercials as stereotypical/inaccurate, but not necessarily as negative. The strength of this perception was positively correlated with age, as was hypothesized. It is obvious that older consumers in Japan are critical of the portrayal of older people in TV commercials, perceiving it to be at least stereotypical and inaccurate. While the perception of the portrayal is not necessarily negative, it is not positive either, however. Overall, our findings seem to be in line with previous research.

Our results further show that older consumers generally have the intention not to purchase a product if the portrayal of older people in the advertisement for this product is perceived as negative, a finding that confirms results from previous research. However, our hypothesis of a correlation between the age of the older consumers and the intention not to purchase was not supported by the data, lending support to the assumption that this issue is of equal importance to the 50-64-year-olds and their older counterparts. This seemed to be the case regardless of gender, but educational level apparently influenced only the older 65plus cohort in their intentions to boycott products whose advertisements portray older people negatively.

Finally, we found a positive correlation between a negative attitude toward the portrayal of older people in advertisements and the intention not to purchase a product if the portrayal of older people in the advertisement for this product is perceived as negative. This correlation did not show any significant differences when analyzed separately for the 50-64 years age group and the 65plus age group. This probably means that regardless of the older age cohort people belong to, they are more likely to boycott a product because its advertisements stereotypes older people or even portrays them negatively, if their attitude toward the portrayal of older people in advertising is already negative. This phenomenon seems to hold also true across differences in gender and educational levels.

The results from a regression analysis found only the perceived stereotypical/inaccurate portrayal, but not the perceived negative portrayal to significantly predict the intention not to purchase. One explanation for this might be the high number of respondents who did not clearly voice their opinion on the perceived negative portrayal by opting for the (neutral) midpoint. However, the need for further research to understand the differences and/or the relationship between perceived stereotypical/inaccurate portrayal and perceived negative portrayal is warranted. The finding that once more, educational level only played a significant role for the 65plus age group could be a mixture of the fact that more educated people might be more critical against advertising in general as well as the fact that the 65+ age group identifies with the represented images and so feels closer to it than the 50-64 age group.

We found age effects when running the regression on the full sample including people younger than age 50. Finally, in line with consumer socialization and cultivation theory, we had also checked with TV consumption had an impact on the intent not to purchase, but in the regression analysis this turned out to be not significant. Further research along these lines is warranted.

There are two main conclusions from our research: 1) Older consumers perceive the portrayal of older people in
Japanese TV advertisements as stereotypical/inaccurate and partly negative even though not necessarily as insulting. 2) Older Japanese consumers have the intention not to purchase a product if its advertising is perceived as portraying older people negatively, i.e. they are willing to boycott these products and/or even the company (and its other products). Both of these observations can be seen as outcomes of a consumer socialization process through watching TV and the advertisements therein.
The Effect of Incidental Disgust on the Evaluation of Purity-Related Products
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Jerry Jisang Han, Seoul National University, USA*
Joonkyung Kim, Seoul National University, USA
Sukhyun Kim, Seoul National University, USA

EXTENDED ABSTRACT

The present research focuses on one of the most basic emotions, disgust, and its effects in product evaluation. Numerous studies on disgust have reported only a negative effect of incidental disgust on evaluation. In contrast, the current results reported here yield strong evidence of the positive effects of incidental disgust on product evaluation. We propose that when people feel incidental disgust, they perceive purity-related products as more attractive compared to people in a neutral or other negative emotional states.

Disgust is an ideological response to something that is offensive to the self due to its nature or origin (Rozin and Fallon 1987). Several categories of elicitors arouse disgust via appraisals of contamination, impurity, or potential degradation. When elicited, disgust motivates people to reject anything perceived likely to contaminate the self physically or spiritually or to threaten their status as civilized human beings (Horberg et al. 2009). According to the appraisal-tendency theory, disgust evokes an implicit action tendency to expel current objects and avoid anything new (Rozin et al. 2008). Based on this theory, previous research on disgust has found that incidental disgust decreases products’ perceived value (Lerner et al. 2004).

In contrast, the current research examines the positive effect of incidental disgust based on the purity-disgust relationship. The unique link between disgust and purity has been the topic of a number of past works. In a more recent article, Horberg et al. (2009) found that with heightened disgust, perceptions of purity as moral and of impurity as immoral should be strong and salient, and therefore, people feeling disgust make stronger moral judgments about actions violating or upholding the purity domain. Therefore, we hypothesize that the perceived attractiveness of purity-related products, which consumers perceive to be related to the concept of purity – increases under the feelings of disgust. On the other hand, other negative emotions such as sadness, which are not associated with appraisals of purity, are not predicted to increase the attractiveness of purity-related products as much as disgust does.

We conducted three experiments to examine whether an experienced feeling of incidental disgust yields differential evaluations of purity-related products. The procedure was similar across the studies. Participants received two questionnaires, presented as purportedly separate studies. The first questionnaire contained either disgusting and neutral (study 1a and 1b) or disgusting and sad pictures (study 2). After completing the first questionnaire, participants were given a second questionnaire that included the evaluation of a purity-related (hand sanitizer) or impurity-related product (scooter or alcohol).

In study 1a, we examined the impact of disgust on the judgment of monetary value of purity-related product. Participants were randomly assigned to one of four conditions of a 2 (Feelings: Disgust vs. Neutral) x 2 (Products: Hand Sanitizer vs. Scooter) factorial design. As predicted, participants who felt disgust (versus neutral emotions) were willing to pay a higher price for hand sanitizer, whereas such a differential evaluation was eliminated for the scooter. In study 1b, we asked participants to report their product evaluation of hand sanitizer or alcohol, on three questions (i.e., overall attitude, desire to purchase, and usefulness). Thus, participants were randomly assigned to one of four conditions of a 2 (Feelings: Disgust vs. Neutral) x 2 (Products: Hand Sanitizer vs. Alcohol) between-subjects design. A similar result as obtained in study 1a was revealed: hand sanitizer was evaluated more positively under disgust than under neutral emotion, whereas the evaluation of alcohol was not influenced by the emotion manipulation.

In study 2, we compared disgust against another important negative emotion, sadness. Participants were randomly assigned to one of the two emotion conditions. While controlling the effects of the chronic differences in disgust sensitivity, participants’ level of knowledge about the target product, and their frequency of using the product, we found that participants who felt disgust evaluated purity-related product more favorably than those who felt sadness. This result suggests the specificity of disgust that its effect on purity-related product is not simply due to its negative valence.

In the two studies, we obtained evidence that disgust increases the evaluation of purity-related products. The effect was not as strong for people who felt sadness. In line with the previous literature, the present research confirms the specificity of disgust-purity association. The contribution of this article is twofold. First, this research adds to the relatively new literature stream focusing on the effects of incidental disgust in consumer decision making. As mentioned previously, only a scant amount of research exists on the aforementioned theme in the consumer behavior literature. Second, this is the first paper to show that incidental disgust can increase (not decrease) consumers’ product evaluation.

REFERENCES


Mood Matching: The Importance of Fit between Moods Elicited by TV Programs and Commercials

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Nailya Oradbayeva, Erasmus University Rotterdam, The Netherlands
Amitava Chattopadhyay, INSEAD

EXTENDED ABSTRACT

Previous consumer research suggests that TV viewers have more favorable attitudes toward commercials when they are in a happy mood than when they are in a sad mood. Research has demonstrated this effect with moods induced by commercials themselves (Batra and Stayman 1990; Derbaix 1995; Edell and Burke 1987; Holbrook and Batra 1987) and with moods induced by TV programs in which the commercials are embedded (Goldberg and Gorn 1987; Mathur and Chattopadhyay 1991). This research has revealed two main effects. All else equal, TV viewers like commercials more when (1) they induce happy moods rather than sad moods, and (2) they are embedded in programs that induce happy moods rather than sad moods. These effects are important since attitude toward the ad (Aad) reliably influences brand attitudes and purchase intentions (MacKenzie, Lutz, and Belch 1986; Madden, Allen, and Williams 1988; Minardi, Bhatia, and Rose 1990; Mitchell and Olson 1981; see Brown and Stayman 1992 for a review), and is the single best predictor of an ad’s ability to influence sales (Haley and Baldering 1991). However, previous research has not examined whether commercials that induce a happy mood elicit more favorable responses compared to those that induce a sad mood, irrespective of whether the mood induced by the program is positive or negative. This is the focus of our research.

In this paper, we propose that when TV viewers watch a program that establishes a mood, they expect to continue experiencing that mood throughout the duration of the TV viewing experience. We draw on research on mood as input to role fulfillment evaluation processes (Martin et al. 1997) to hypothesize that TV viewers have more favorable attitudes toward commercials that support moods established by programs than toward those that break established moods. Our hypothesis leads to the novel prediction that, during a sad program, TV viewers will like sad commercials more than happy commercials.

The results of experiment 1 support our hypothesis. In the experiment, we find that participants liked two sad commercials significantly more when they followed sad program clips than when they followed happy program clips, and liked two happy commercials more when they followed happy program clips than when they followed sad program clips, albeit not significantly so.

A key finding of experiment 1 is that, under some conditions, viewers may actually have more favorable attitudes toward commercials when they are aired during sad programs than when they are aired during happy programs. This finding may initially seem to be at odds with mood as information theory (Schwarz and Clore 1983, 1988), which proposes that people use their momentary affective states as information when making judgments and evaluations, for example by asking “how do I feel about it?” Mood as information theory thus predicts that people will evaluate stimuli more favorably when they are in a positive mood than when they are in a negative mood. However, we assert that the apparent contradiction between our predictions and those of mood as information theory can be reconciled by noting that role fulfillment evaluations are based on an expectation comparison process.

Specifically, we hypothesize that role fulfillment evaluation theory makes accurate predictions when people are likely to have mood expectations, whereas mood as information theory makes accurate predictions when people are unlikely to have mood expectations.

The results of experiment 2 support this hypothesis. In the experiment, we find that, following a sad program clip, viewers who focused on their mood during the TV watching experience liked sad commercials more than happy commercials, whereas viewers who were distracted from their mood during the experience liked happy commercials more than sad commercials. Furthermore, we find that a second focus manipulation administered after, rather than during, the TV viewing experience, did not affect viewers’ evaluations, thus providing further evidence that a difference in expectations underlies the aforementioned results.

Our research contributes to theory and practice in three ways. First, we use role fulfillment evaluation theory to identify an effect that is at odds with the recommendations of previous research on the attitudinal effects of moods induced by TV programs and commercials. Second, we identify mood expectations during the experience as a moderating variable, allowing us to reconcile our main result with those of extant research. Third, our results provide guidance to advertising managers who seek either to select a program during which to air existing commercials, or to produce commercials that will be aired during a particular program. Our suggestion that sad commercials can be more effective when aired during sad programs than during happy programs seems to go against common advertising practice. According to Mathur and Chattopadhyay (1991), several major organizations have policies that prohibit advertising during sad programs. Consistent with this, news articles report that many groups have pulled their commercials from sad programs. Based on our findings, we believe that advertising managers should reassess the usefulness of scheduling some commercials during sad programs.

REFERENCES


The direct and interactive effects of store-level promotions on impulse purchase: moderating impact of category familiarity and normative influences

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Madhumita Banerjee, University of Warwick, UK

ABSTRACT
Marketing literature has conceptually and empirically established the direct effects of different variables on impulse purchase. However, literature has yet to study the simultaneous interactions between variables influencing impulse purchase. In this paper, we measure the direct effects of store-level promotions, brand image and price consciousness and also examine the interactive effects of store-level promotions and the moderating influence of category familiarity and normative influences. The results demonstrate the importance of simultaneous examination of interplay between different consumer and store level variables. The results when taken collectively provide substantial segmentation opportunity for manufacturers of branded goods and retailers.

INTRODUCTION
Today’s retail stores are full of in-store sensory stimuli including perfectly aligned packaging, engaging displays, creative advertising and alluring promotion offers. These in-store stimuli trigger unrecognized needs and desires and entice consumers to purchase unintended goods and, in turn, act impulsively (Inman et al. 2009). Rook and Fisher (1995) defines impulse purchases as decisions which occur when a consumer experiences a sudden, often powerful and persistent urge to buy something immediately. These decisions are in contrast to the planned purchases (Ajzen 1991) decided before entering the store. For the past few decades, researchers have observed that impulse purchase behavior is a persistent and distinctive aspect of consumers’ lifestyles (Peck and Childers, 2006) with approximately 30% to 62% of all purchases being identified as impulsive in nature (Inman et al. 2009). Given the importance of impulsive decisions in the overall decision-making process and with the increasing number of purchase decisions being made in-store, it is critical to understand the factors driving consumers’ in-store impulsive purchase behavior.

The purpose of this paper is to investigate the direct and interactive effects of store-level promotions. Research has observed that store-level promotions are increasingly used for grabbing consumers’ attention and also for offering a direct inducement (Ailawadi et al. 2006, 2009). While store-level promotions may help in grabbing customers’ attention, Chandon et al. (2009) emphasize the importance of consumer consideration. Chandon et al. (2000) and Lichtenstein et al. (1993) suggest that at the in-store level, consumer price consciousness and brand image act as critical determinants of consumer consideration. Ailawadi et al. (2009) note that store-level promotions reflect low price positioning for many brands. Such store-level promotions on branded products can not only act as triggers for impulse buying but also be attractive propositions to price conscious consumers. Taken together, all of the above raise some interesting questions: For example, will a well-known national brand available with store-level promotions induce consumers to buy impulsively? Similarly, will price conscious consumers let down their guard and become impulsive in the presence of an inducement like store-level promotion? While previous research (see Rook and Fisher 1995; Inman et al. 2009) has investigated individual factors impacting on impulse purchase, our study examines the simultaneous interaction effects of variables influencing impulse purchase.

A second aim of our study is to examine the moderating influence of category familiarity and normative influences on consumer impulse purchase. With increasing brand proliferation, consumers find it difficult to make purchase decisions based on brand preferences and thus often focus on product categories. Moreover, extant research suggests waning brand loyalty among most consumers and an increasing preference focused at the category level (Graef 2007). Thus, category familiarity may play a moderating role in consumer brand consideration (Rao and Monrooe, 1988). Furthermore, consumers often acquire products because of what the products mean to them and to the members of their social reference groups (Shukla 2010). Extant research suggests that social norms and expectations play an important role in consumer consideration (Bearden et al. 1989). The contribution of this research is the development of a conceptual framework incorporating the direct and interactive effects of store-level promotions on the relationship between brand image, price consciousness and impulse purchase. We then empirically test the moderating effects of category familiarity and normative influences on impulse purchase. Theoretically, we believe that this simultaneous examination of various direct, interactive and moderating effects will provide a comprehensive perspective relating to impulse purchase. For retail managers and manufacturers, knowing which factors drive consumer impulse purchase at store-level is of critical importance. We believe that our framework will help retail managers and manufacturers in making informed choices about the drivers of impulse purchase at the store-level and provide an opportunity to develop integrative marketing strategies at the store-level to drive impulse purchase.

CONCEPTUAL FRAMEWORK
Researchers note that the presence of an attention inducing stimuli such as point of purchase displays and store-level offers, in turn, can trigger positive affective appraisal among consumers regarding the particular product being promoted (Parker and Tavassoli, 2000). Such processing can have an influence on consumers’ brand image perceptions and consumer price consciousness (Chandon et al. 2000; Lichtenstein et al. 1993). Thus, we argue that consumer attention (i.e. store-level promotion) and consideration variables (i.e. price consciousness and brand image) can significantly increase impulse purchase decisions. Moreover, consistent with the factors that increased attention and consideration lead to unplanned purchasing, we also posit that attention inducing stimuli such as store-level promotions may moderate the relationship between consumer consideration variables. Figure 1 presents the conceptual model for the study.
Direct Effect On Impulse Purchase

Store-level Promotion

Despite their high fixed costs, store-level promotions (i.e. in-store point of purchase displays, in-store flyers, store-level offers and contests) are a source of additional margins. They help reinforce a low-price positioning and are a key to performance in today’s retail environment (Ailawadi et al. 2009). While the store-level promotions seem beneficial overall, the results relating to their impact on triggering impulse purchase is decidedly mixed. In an earlier study focusing on US consumers’ food purchasing behaviour, Cox (1970) found positive but non-significant relationship between store-level promotions and impulse purchase. However, in a study of fifteen supermarkets in South Africa, Abratt and Goodey (1990) found consistent rates of impulse purchase associated with in-store stimuli. However, Parker and Tavassoli (2000) note that little consideration has been given to consumers’ view of store-level promotions and how consumers incorporate stimuli such as store-level promotions into their shopping behaviour. There have been calls for further research examining the impact of store-level promotions on purchase behavior (Ailawadi et al. 2009). Given that, retailers and manufacturers are diverting a growing proportion of their promotional budgets from traditional out-of-store media advertising to in-store promotions (Chandon et al. 2009), understanding their impact will assist retailers and manufacturers in making more informed decisions regarding how to influence consumer impulse purchase behavior. Thus,

\( H_1 \): Store-level promotions will have a significant, positive impact on impulse purchase behavior.

Brand Image

Firms are increasingly recognizing brands as one of their most valuable assets and therefore intensifying the level of resources directed towards building and preserving them. Keller (1993) defines brand image as a set of perceptions about a brand as reflected by the brand associations held in consumers’ memory. A successful brand image helps differentiate the brand from its competitors and gives consumers a certain degree of familiarity and, in turn, can trigger a purchase decision (Slotegraaf and Pauwels 2008). Thus, we expect that brand image will play a pivotal role in triggering impulse purchase behavior. Researchers have observed that consumers form their preferences according to past experience with a given stimuli. Grewal et al. (1998) suggest that one of the important components of past experience is brand image. From a retailer’s perspective, brands are highly important because they generate higher margins than their non-branded counterparts (Ailawadi and Harlam 2004), have higher promotional lift (Ailawadi et al. 2006; Slotegraaf and Pauwels 2008), are more effective in driving store performance, and help attract and retain customers (Ailawadi et al., 2009). Thus, it is hypothesized that:

\( H_2 \): A product’s brand image will have a significant, positive impact on impulse purchase behavior.

Price Consciousness

Lichtenstein et al. (1993) define price consciousness as a buyer’s unwillingness to pay a higher price or an exclusive focus on paying low prices. Prior research related to price consciousness suggests that consumers are price conscious in almost all their purchases and use various pricing reference points to make the final decision, including the last transaction price or the lowest and highest price (Alford and Biswas 2003). Sinha and Batra (1999) argue that price conscious consumers have a strong desire to maximize the ratio of quality received to the price paid for any product and therefore may spend more time deliberating on their purchase decisions. As a result, we expect that price conscious consumers will be less impulsive in their decision making. Lastovicka et al. (1999) concluded that compared to other consumers, price conscious consumers are more disciplined in their purchasing pattern and tend to be less impulsive. Thus, it is hypothesized that:

\( H_3 \): Price consciousness will have a significant, negative impact on impulse purchase behavior.
Interactive Effects On Impulse Purchase
Every year, companies spend billions of dollars on trade and consumer promotions (Chandon et al., 2009). Store-level promotions provide consumers an opportunity to buy branded products at a lower price. According to economic utility theory, promotions such as coupons and sale, may serve as economic incentives and in turn enhance their perception of value (Garretson and Burton, 2003). Therefore, we posit that branded product available at a lower price due to store-level promotion will increase a consumer’s perceptions of value gain. As Narasimhan et al. (1996) note, the savings and “trading-up quality” benefits of promotions are more salient for branded goods. That is, consumers may perceive that they have gained acquisition and transaction utility and thus increased the overall value of the purchase (Thaler 1985) by purchasing a branded product for a relatively reduced price because of the store-level promotions. Hence, it is proposed that:

H1: In the presence of a store-level promotion, brand image will have a significantly higher impact on impulsive purchase behavior than in absence of store-level promotion.

In the current competitive retail environment, retailers often employ dynamic pricing across product categories (i.e., they change prices often) using complex pricing frameworks. Such complex pricing mechanisms may make it difficult for consumers to decide optimal price for the product they wish to purchase. Recent research in decision sciences and marketing suggests that when analyzing complex purchase information, consumers try to simplify their overall decision by focusing on cues which can offer immediate assistance (Durbach and Stewart 2009). Store-level promotions may offer a cue or a set of cues that help consumers in simplifying their final purchase decision. Furthermore, in accordance with the extent literature, we believe that in the case of price conscious consumers who are highly focused on price elements (Lichtenstein et al. 1993), the effect of store-level promotion may be more pronounced (Garretson and Burton 2003). We believe that for price conscious consumers, store-level promotions offer an added opportunity to affirm their belief of getting a better bargain. Thus, the offer of immediate savings due to store-level sales promotions may increase price conscious consumers’ likelihood to act impulsively. Therefore,

H2: In the presence of a store-level promotion, price conscious consumers will demonstrate significantly higher impulsive purchase behavior than in absence of store-level promotion.

Moderating role of category familiarity and normative interpersonal influence

Category Familiarity
An emerging view in the field of behavioral decision research is that the expression of preference is often constructed at the category-level rather than the brand level (Graeff 2007). Grewal et al. (1998) observed that consumers with low familiarity extensively used extrinsic cues such as brand name or image as the attribute of significance, but subjected with high familiarity, generated a much more complex schema. In this regard, we posit that category familiarity will significantly moderate the relationship between the proposed antecedents and impulsive purchase wherein, consumers with higher category familiarity will be less impulsive than consumers with low category familiarity. Furthermore, researchers argue that consumer familiarity affects consumer price sensitivity and brand relevance (Rao and Monroe 1988). Therefore, it can be assumed that consumers with high familiarity will be more value driven and, in turn, less impulsive than consumers with less familiarity. Taken together, all these studies suggest that a consumer’s category familiarity moderates the effects of promotion-, price-, and brand image-related cues on impulse purchase decisions. However, the effect of category familiarity on impulsive purchase behavior requires empirical support. The following hypotheses are proposed to empirically test the phenomenon:

H3: The positive relationship between (a) store-level promotions; (b) brand image and impulse purchase behavior and the negative relationship between (c) price consciousness and impulse purchase will be stronger among consumers with less category familiarity than among consumers with high category familiarity.

Normative Influence
Bearden et al. (1989) define “normative influences” as the tendency to conform to the expectations of others. They also suggest that consumers’ consumption experiences are strongly influenced and shaped by their social environment and interpersonal interactions. Rook and Fisher (1995) argue that consumers tendency of impulsiveness increases when acting on impulse is socially appropriate and rational. Much research on normative interpersonal influences in consumer decision making relies on the perspective offered by the theory of reasoned action (Ajzen 1991) in which subjective norms arise from individuals’ predictions about how salient social reference groups will react to a particular consumption behavior (Bearden et al. 1989) coupled with the individual’s motivation to comply with these normative expectations. For example, in the presence of other customers, a consumer may become self-conscious and buy a more expensive item than intended in-order to reflect his or her self-esteem. On the other hand, for the price conscious consumers, a branded product bought at a bargain price may make the consumer appear savvy in the eyes of other price conscious consumers. While Rook and Fisher (1995) argue that normative interpersonal influences moderate consumer impulse purchase decisions, they call for further research on such effects at store level. Our paper addresses this research call by examining the moderating role of normative interpersonal influence on the relationship between store-level promotions, price consciousness, brand image and impulse purchase. We argue that consumers who are highly affected by normative influences will show a greater level of impulse purchase than consumers who are less affected by it.

H4: The positive relationship between (a) store-level promotions; (b) brand image and impulse purchase behavior and the negative relationship between (c) price consciousness and impulse purchase behavior will be stronger among low-normative-influence consumers than high-normative-influence consumers.

METHODOLOGY
A quantitative methodology employing a self-administered structured questionnaire was used to measure and validate the hypothesized relationships. In this study, low-end electronic products (i.e., USB sticks, webcams, low-end mp3 players, headphones, and low-end mobile phones) were selected because of the high level of category familiarity respondents are likely to have and the increasing impulsive purchase association of the product (Pilley...
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2008). The data was collected in two cities in the South East of England. More than 700 consumers were contacted at main shopping areas in both cities, for a final usable sample of 293 (response rate = 41.86%). The main shopping areas were chosen because of the high traffic, wide assortment of product categories sold, and high degree of store browsing. The data were collected over a five-week period, with survey teams rotating the location of interviews, the times of the day, and the days of the week to make the final sample representative. From the respondent profile, 42% were male, and the highest percentage of respondents (54.9%) belonged to the 25–35 age groups. Table 1 shows the scales used to measure the four latent constructs. The store-level promotions scale was adopted from Chandon et al. (2000). Price consciousness was measured with a five-item scale adopted from Lichtenstein et al. (1993). Brand image items were adopted from Bearden et al. (1989) and Yoo and Donthu (2001). The impulse purchase construct was measured with three items using the construct developed by Weun et al. (1998). Adopted versions of the scales developed by Batra and Sinha (2000) and Rao and Sieben (1992) were used to measure the category familiarity construct. The normative influence construct was measured with four items from the scale developed by Lichtenstein et al. (1993).

Table 1: Measurement scale items

<table>
<thead>
<tr>
<th>Scale items</th>
<th>Item reliability</th>
<th>CR</th>
<th>AVE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Store-level promotions</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I buy electronic products if the store highlights an attractive promotion.</td>
<td>0.68</td>
<td>0.78</td>
<td>0.60</td>
</tr>
<tr>
<td>Promotions available in electronic products stores…</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>…make me buy products spontaneously.</td>
<td>0.70</td>
<td></td>
<td></td>
</tr>
<tr>
<td>…increase my desire to buy electronic products.</td>
<td>0.69</td>
<td></td>
<td></td>
</tr>
<tr>
<td>…entic me to buy things on the spur of the moment.</td>
<td>0.53</td>
<td></td>
<td></td>
</tr>
<tr>
<td>…remind me that I need the electronic product.</td>
<td>0.62</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Brand image</strong></td>
<td></td>
<td>0.80</td>
<td>0.67</td>
</tr>
<tr>
<td>It makes sense to buy a reputable brand of electronics instead of any other lower category brand, even if they are the same.</td>
<td>0.55</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I will not buy lower category brand, if a reputable brand of electronics is available in store.</td>
<td>0.69</td>
<td></td>
<td></td>
</tr>
<tr>
<td>If there is another brand as good as a reputable brand, I still prefer to buy the reputable brand.</td>
<td>0.75</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I like to know what electronic brands and products make good impression on others.</td>
<td>0.82</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Price consciousness</strong></td>
<td></td>
<td>0.81</td>
<td>0.66</td>
</tr>
<tr>
<td>I am not willing to go to extra effort to find lower priced electronic products. (R)</td>
<td>0.64</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I shop at more than one store to take advantage of low prices for electronic products.</td>
<td>0.78</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The money saved by finding a lower priced electronic product is usually not worth the time and effort. (R)</td>
<td>0.72</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I would never shop at more than one store to find low prices for electronic products. (R)</td>
<td>0.69</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The time it takes to find low priced electronic products is usually not worth the effort. (R)</td>
<td>0.52</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Impulse purchase</strong></td>
<td></td>
<td>0.77</td>
<td>0.66</td>
</tr>
<tr>
<td>Reflecting on my last electronic products purchase…</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>…I bought one that I had not intended to purchase.</td>
<td>0.58</td>
<td></td>
<td></td>
</tr>
<tr>
<td>…I made an unplanned purchase.</td>
<td>0.76</td>
<td></td>
<td></td>
</tr>
<tr>
<td>…It was fun to buy it spontaneously.</td>
<td>0.87</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Category familiarity</strong></td>
<td></td>
<td>0.73</td>
<td>0.56</td>
</tr>
<tr>
<td>I have enough knowledge about electronic products that, I don’t need to actually try a brand to know how good it is.</td>
<td>0.69</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prior knowledge about the electronic products gives me more confidence in buying it.</td>
<td>0.66</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I enjoy purchasing electronic product for which I know little. (R)</td>
<td>0.72</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Normative influence</strong></td>
<td></td>
<td>0.79</td>
<td>0.65</td>
</tr>
<tr>
<td>I enjoy the prestige which stems from buying high-priced electronic products.</td>
<td>0.74</td>
<td></td>
<td></td>
</tr>
<tr>
<td>It says something to people when you buy the high technological version of an electronic product.</td>
<td>0.88</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I often consider buying an electronic product because it is new and fashionable and others like it.</td>
<td>0.63</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Others make judgments about me by the kinds of electronic products I buy.</td>
<td>0.50</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(R) = reverse coded.

As Table 1 shows, the items used to measure the latent constructs in the model show values above the recommended level for both composite reliability and average variance extracted (AVE). For all scales, the factors loadings were high and significant (p < 0.001), satisfying the criteria for convergent validity. Discriminant validity was assessed using the test developed by Fornell and Larcker (1981). This test suggests that a scale possesses discriminant validity if the AVE by the underlying latent variable is greater than the shared variance (i.e., the squared correlation) of a latent variable with other latent variable. As Table 2 shows, this criterion was met by all the variables in the study: no correlation exceeds the square root of the AVE. The totality of these tests provides strong evidence for reliability and validity of the construct measures.
Table 2: Correlation matrix

<table>
<thead>
<tr>
<th></th>
<th>Store-level promotions</th>
<th>Brand image</th>
<th>Price consciousness</th>
</tr>
</thead>
<tbody>
<tr>
<td>Store-level promotions</td>
<td>0.78</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brand image</td>
<td>0.08</td>
<td>0.81</td>
<td></td>
</tr>
<tr>
<td>Price consciousness</td>
<td>0.09</td>
<td>0.54</td>
<td>0.81</td>
</tr>
</tbody>
</table>

Note. Values in italics on the main diagonal are the square root of AVE of the latent variable.

ANALYSIS AND RESULTS

Analysis Of Direct And Interactive Effects On Impulse Purchase

Ping’s (1995) guidelines were followed for the evaluation of structural models with interaction terms. Single scores were created for each of the latent variables involved in multiplicative interactions (store-level promotions, price consciousness, and brand image). The interaction terms were created by multiplying the single scores. For example, the store-level promotions score was multiplied with the price consciousness score to create a new variable: the price consciousness × store-level promotions interaction term. The factor loadings, error variance, and factor variance estimates obtained were fed into Ping’s (1995) equations. This generated estimates of the error variances and factor loadings for both interaction terms. Two nested models were specified, using the estimates for the loadings and the error variances for the interaction terms. In both models, the loadings and error variances for the interaction terms were fixed at their previously estimated values. First, a restricted model was run in which the γ parameters linking the interaction terms to impulsive purchase were fixed at zero, and the remaining γ parameters were freely estimated. Second, an unrestricted model was run in which the γ parameters originally fixed at zero were freed. As Table 3 shows, moving from a restricted to an unrestricted model resulted in a decrease in chi-square of 39.4, with an associated 2 degrees of freedom. The improvement in fit is significant at $p < 0.001$. Furthermore, the other fit measures, including root mean square error of approximation (RMSEA), goodness-of-fit index (GFI), non-normed fit index (NNFI), and comparative fit index (CFI), improved substantially, suggesting that the unrestricted model is superior to the restricted model.

Table 3: Fit measures for the models

<table>
<thead>
<tr>
<th></th>
<th>$\chi^2$</th>
<th>df</th>
<th>RMSEA</th>
<th>GFI</th>
<th>NNFI</th>
<th>CFI</th>
<th>$\chi^2$/df</th>
</tr>
</thead>
<tbody>
<tr>
<td>Restricted</td>
<td>206.32</td>
<td>103</td>
<td>0.070</td>
<td>0.91</td>
<td>0.91</td>
<td>0.93</td>
<td>2.00</td>
</tr>
<tr>
<td>Unrestricted</td>
<td>166.96</td>
<td>101</td>
<td>0.048</td>
<td>0.96</td>
<td>0.96</td>
<td>0.97</td>
<td>1.65</td>
</tr>
</tbody>
</table>

Table 4 reports standardized parameter estimates and their t-values for the structural model.

As predicted, store-level promotions had a positive effect on impulse purchase behavior ($\beta = 0.13, t = 2.11$), providing support to $H_1$. In support of $H_2$, brand image was found to have a strong positive impact ($\beta = 0.39, t = 2.31$). However, contrary to predictions, price consciousness did not have a significant impact on impulse purchase behavior ($\beta = -0.07, t = -0.70$), thus not supporting $H_3$. $H_4$ suggests that store-level promotions positively moderate the relationship between brand image and impulse purchase. This was supported ($\beta = 0.19, t = 3.04$). As hypothesized in $H_5$, a strong and significantly positive effect of store-level promotions on the relationship between price consciousness and impulse purchase was found ($\beta = 0.66, t = 5.93$).

Table 4: Path coefficients

<table>
<thead>
<tr>
<th>Path coefficients</th>
<th>Estimates</th>
<th>T-values</th>
</tr>
</thead>
<tbody>
<tr>
<td>Store-level promotions → impulse purchase</td>
<td>0.13</td>
<td>2.11*</td>
</tr>
<tr>
<td>Price consciousness → impulse purchase</td>
<td>-0.07</td>
<td>-0.70</td>
</tr>
<tr>
<td>Price consciousness × store-level promotions → impulse purchase</td>
<td>0.66</td>
<td>5.93*</td>
</tr>
<tr>
<td>Brand image → impulse purchase</td>
<td>0.39</td>
<td>2.31*</td>
</tr>
<tr>
<td>Brand image × store-level promotions → impulse purchase</td>
<td>0.19</td>
<td>3.04*</td>
</tr>
</tbody>
</table>

* Relationship is significant at $p < 0.01$.

The Moderating Effects Of Category Familiarity And Normative Influence

In line with the procedure used by Grewal et al. (1998), respondents who scored above the median value were treated as the group with high category familiarity (n = 103), and respondent with less than the median scores were treated as the group with less category familiarity (n = 190). With regards to normative influence, the same procedure was employed to identify respondents who were in the high-normative-influence (n = 144) versus low-normative-influence (n = 149) groups.
**DISCUSSION AND CONCLUSIONS**

The purpose of this study was to examine the direct and interactive effects of store-level promotions, brand image and price consciousness on impulse purchase. In addition, the moderating role of category familiarity and normative influence on impulse purchase was also examined. In doing so, this study makes important contributions towards the understanding of impulse buying behavior. Overall, the findings emphasize the need to study the influence of marketing variables together with moderating effects on impulse purchases rather than examining them in isolation.

The findings demonstrate that store-level promotions have a weak direct impact on impulse purchase. The weak direct impact also implies that store-level promotions may not be highly profitable for retailers in general for attracting and retaining customers. This result concurs with the finding of Srinivasan et al. (2004), who observe that promotions have a predominantly positive impact on manufacturer revenue. However, the impact of store-level promotions on retailer revenue and margin is mixed. The findings from our study suggest that retailers should use store-level promotions in moderation. The study also demonstrates the importance of brand building in driving impulse purchase. This is particularly evident when the category familiarity is low as well as when the normative influences are high. It shows that when consumers are less aware of the category, one of the major decision making cues they use, is the brand. The study also shows that at an overall level, price consciousness is a non-significant predictor of impulse purchase. The findings contradict previous research in the area with regard to price consciousness. This is probably due to the nature of the product (low-end electronic goods rather than fast moving consumer goods), type of respondents (real consumers)

### Table 5: Comparison of unconstrained and constrained models for moderating factors

<table>
<thead>
<tr>
<th>Category familiarity</th>
<th>( \chi^2 )</th>
<th>df</th>
<th>RMSEA</th>
<th>GFI</th>
<th>NNFI</th>
<th>CFI</th>
<th>( \chi^2/df )</th>
</tr>
</thead>
<tbody>
<tr>
<td>Restricted</td>
<td>214.98</td>
<td>132</td>
<td>0.076</td>
<td>0.92</td>
<td>0.87</td>
<td>0.90</td>
<td>1.63</td>
</tr>
<tr>
<td>Unrestricted</td>
<td>162.45</td>
<td>119</td>
<td>0.050</td>
<td>0.95</td>
<td>0.95</td>
<td>0.96</td>
<td>1.37</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Normative influences</th>
<th>( \chi^2 )</th>
<th>df</th>
<th>RMSEA</th>
<th>GFI</th>
<th>NNFI</th>
<th>CFI</th>
<th>( \chi^2/df )</th>
</tr>
</thead>
<tbody>
<tr>
<td>Restricted</td>
<td>207.44</td>
<td>127</td>
<td>0.065</td>
<td>0.90</td>
<td>0.94</td>
<td>0.95</td>
<td>1.63</td>
</tr>
<tr>
<td>Unrestricted</td>
<td>169.53</td>
<td>114</td>
<td>0.058</td>
<td>0.91</td>
<td>0.96</td>
<td>0.97</td>
<td>1.49</td>
</tr>
</tbody>
</table>

To assess the moderating effects, the structural models for the two moderating variables were also tested by estimating and comparing the restricted and unrestricted models, as discussed previously. As seen in Table 5, a significant improvement was observed when moving from a restricted to an unrestricted model across all measures. The chi-square difference was significant \( p < 0.01 \) for all variables. The significant difference in chi-square suggests the presence of a moderating effect. The unrestricted models were used to test the hypotheses related to the moderating variables because they presented a better-fitting model in all cases. Table 6 provides the path coefficients with related fit statistics and demonstrates the moderating impact of category familiarity and normative influence on the relationship between store-level promotions, price consciousness, brand image, and impulse purchase.

### Table 6: Path coefficients for the moderator variables

<table>
<thead>
<tr>
<th>Category familiarity</th>
<th>Normative influence</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>High</td>
</tr>
<tr>
<td></td>
<td>Est.</td>
</tr>
<tr>
<td>Store-level promotions → IP</td>
<td>0.13</td>
</tr>
<tr>
<td>Brand image → IP</td>
<td>0.23</td>
</tr>
<tr>
<td>Price consciousness → IP</td>
<td>0.43</td>
</tr>
</tbody>
</table>

* relationship significant at \( p < 0.01 \); ** relationship significant at \( p < 0.05 \)

As predicted, category familiarity had a stronger moderating influence among consumers with less category familiarity \( \beta = 0.32, t = 2.11 \). However, the impact of category familiarity was non-significant among the consumers in the high category familiarity group, and thereby, demonstrating partial support to \( H_{6a} \). The hypothesized positive moderating influence of category familiarity on the relationship between brand image and impulse purchase was partially supported \( H_{6a} \); consumers with less category familiarity \( \beta = 0.26, t = 1.67 \) demonstrated greater impulsive purchase tendencies than consumers with high category familiarity. The group with less category familiarity had a stronger impulse purchase inclination \( \beta = 0.52, t = 2.60 \) than the group with high category familiarity \( \beta = 0.43, t = 2.34 \), in support of \( H_{6a} \). Normative influence significantly moderated the positive relationship between store-level promotions and impulse purchase \( H_{5a} \); the low-normative-influence group showed greater impulsive purchase tendencies \( \beta = 0.34, t = 2.56 \) than the high-normative-influence group \( \beta = 0.29, t = 2.68 \). With regards to \( H_{5a} \), a significant moderating impact of normative influence was found on the relationship between brand image and impulse purchase. However, the hypothesized relationships were reversed; that is, the high-normative-influence group demonstrated a strong moderating impact \( \beta = 0.50, t = 3.40 \), and the low-normative-influence group showed a non-significant impact. Significant impact of normative influence was found between price consciousness and impulse purchase \( H_{5a} \); the low-normative-influence group showed high impulsive purchase behavior \( \beta = 0.60, t = 3.39 \).
instead of students), and method of eliciting response (mall-intercept instead of imaginary purchase scenarios) in this study in contrast to previous studies.

While the findings show the significant direct effects of the management-controlled factors (i.e. store-level promotions and brand image) on impulsive purchase, the findings relating to the interactive effects of store-level promotions on impulse purchase are also worthy of notice. Although the direct impact of store-level promotions on impulse purchase behavior is weak, the results of our study indicate that store-level promotions act as a catalyst in influencing the relationship between price consciousness and impulse purchase behavior. The result suggests that store-level promotions make consumers think that they are getting a better bargain and, in turn, increase their impulsive tendencies. Store-level promotions extend the critical role played by brand image as it significantly moderates the relationship between brand image and impulsive purchase. Chandon et al. (2009) found that brand manufacturers are spending increasing amount of their total promotion budget in-store. The results of our study provide added evidence that this increase in in-store spending budget by brand manufacturers may well be justified, given that brand image is one of the most important consideration stimuli for many consumers as well as its effects are significantly pronounced when associated with store-level promotions. Our study also furthers the argument put forward by Srinivasan et al. (2004) that store-level promotions for branded goods can be a potent tool to drive impulse purchase and in turn increase sales revenue.

With regards to store-level promotions, as hypothesized, the group with low category familiarity was more influenced by store-level promotions than the group with high category familiarity. This finding suggests that by using store-level promotions, retailers and manufacturer may be able to specifically attract consumers with low category familiarity. With respect to the moderating influence of normative influence on the relationship between store-level promotions and impulse purchase, the group with low-normative-influence demonstrated a stronger effect than the group with high-normative-influence. However, the effect was significant in both cases. This research finding, when corroborated with the overall impact of store-level promotions, suggests two important strategic implications for retail managers. First, retail managers can use store-level promotions as a segmentation tool (i.e., for the group with low category familiarity), and second, they can use the store-level promotions as a generic sales increase tool (i.e. by focusing on normative influence aspects). Store-level promotions may offer better returns with less investment because of the targeted effort and reduce the need for continuous promotions as observed in most markets.

The research results indicate that consumers with low category familiarity are more influenced by brand image than consumers with high category familiarity. However, high-normative-influence groups are more persuaded by brand image than the low-normative-influence groups. These findings highlight an aspect of how consumers are influenced in the presence of other external stimuli. It may be that the consumers with low category familiarity are less aware of the competitive brand positioning in that specific category, and therefore a known branded product available with a promotion may increase their sense of getting a better bargain, which in turn, causes them to act impulsively. In this regard, we argue that if managers can build an in-store branding campaign focusing on social desirability, it is likely to drive impulse purchase associated with that particular brand at in-store level. The finding related to price consciousness provides a notable change when category familiarity and normative influence moderate the relationship between store-level factors. Both low- and high-familiarity consumers and low- and high-normative-influence groups are found to be price conscious. However, the low-familiarity and low-normative-influence consumers are found to be more price-conscious. This finding reveals that retail managers can use clear segmentation strategies with regard to these two groups. The consumers with low category familiarity and low normative influence will react highly impulsively in the presence of price deals. Therefore, a firm that creates a profile of low-familiarity/low-normative-influence consumers can save precious organizational resources by specifically targeting this group with price deals instead of generic price deals for all.

This study makes three important contributions. Researchers have observed that consumers hardly take decisions based on a single stimulus (Grewal et al., 1998). Consumers’ decisions are based on complex interactions between various stimuli. While prior studies have shown both conceptually and empirically the direct influence of various factors on impulse purchase (Rook and Fisher, 1995; Inman et al., 2009), this study incorporates the direct and interactive effects of store-level stimuli on consumer impulse purchase. For example, a direct effects study could have concluded that store-level promotions have a weak impact on driving impulse purchase. However, such a study would have missed on the significant moderating influence of store-level promotions on brand image and price consciousness. Consumers who are high in price consciousness, and low in brand image may not be a significant direct influencer for impulse purchase but in the presence of a store-level promotion, can become highly significant. These results demonstrate the importance of simultaneous examination of interplay between different consumer and store level variables, which in turn, can help retail managers and manufacturers take informed decisions. We also demonstrate the significant moderating influence of category familiarity and normative influences on consumer impulse purchase. This, in turn, provides substantial segmentation opportunity for manufacturers and retailers at the store-level and also in shaping and driving consumers’ impulse purchase behavior.

Although the study provides some noteworthy insights into the influence of store-level promotions, price consciousness, and brand image on consumers’ impulse purchase behavior, the findings should be cross-validated using diverse product categories and in other cultural contexts. Other factors may also influence consumers’ impulsive purchases, such as retail atmosphere, deal proneness, monetary versus non-monetary promotions, and contextual factors. A particularly worthwhile issue could be the moderating influence of perceived value of the product category and involvement of consumers. A comparative study using different industries with low and high value and involvement could provide many insights with regards to impulse purchase.

REFERENCES


The Impact of Cognitive and Affective Country Image on Consumers’ Rational and Experiential Purchases
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EXTENDED ABSTRACT
Research has long shown that a product’s country-of-origin often influences consumers’ product judgment and purchase intentions (e.g., Bilkey and Nes 1982). However, it is unclear whether country image influences different types of purchase (e.g., rational vs. experiential purchases) in a similar way. For example, a young professional is thinking of buying a new car and needs to decide whether to buy a German, Japanese, Korean, or American one. At the same time, this person would also like to purchase some athletic apparel for leisure activities and is faced with a number of brands from these same four countries. Does the image of each country influence consumer judgment of automobiles the same way as it influences the judgment of athletic apparel, to what extent and how does country image influence purchase intention?

In order to answer these questions, we develop a framework to examine how country image influences consumer product judgment and purchase intention for rational and experiential products. We differentiate and examine two distinct dimensions of country image i.e., cognitive and affective country image. Cognitive country image represents consumers’ beliefs about a country’s industrial development and technological advancement, whereas affective country image relates to consumers’ affective response to a country including its government, policies, culture and people (e.g., Laroche et al. 2005). Given that different consumption patterns and thinking systems exist for rational and experiential purchases (e.g., Novak and Hoffman 2009), we expect that cognitive and affective country image influence consumers’ product judgment and purchase intentions differently in rational and experiential purchases. The majority of research in the area of country image has largely focused on consumers’ cognition of a country and how such cognition influences evaluation of product quality (Peterson and Jolibert, 1995). Differentiating between affective and cognitive country image therefore makes it possible to closely examine the relative effect of consumer thoughts and feelings toward a country in light of both rational and experiential purchases.

In order to examine the effect of cognitive and affective country image on consumer product judgment, we include the construct of product image in our research framework. Distinct from country image, product image refers to consumers’ general perceptions or beliefs of a country’s products (e.g., Parameswaran and Pisharodi 1994). Consumers often associate some stereotypical beliefs with all product categories from a nation of China. The two product categories were selected as target countries because they are the four largest trading nations of China. The two product categories were selected based on focus group studies and a pre-test. The results of these studies suggest that Chinese consumers consider automobiles to represent more of a rational purchase and athletic apparel to be more of an experiential purchase. Items measuring cognitive and affective country image, general product image and purchase intention were adapted from the existing scales of Nagashima (1977), Laroche et al., (2005), and Martin and Englu (1993). We also measured the category product image of automobiles and athletic apparel. The research instrument was translated into Chinese followed by a back-translation procedure to verify its status.

We first assessed the measurement models for the automobile and athletic apparel samples respectively and both models provided a good fit. We then assessed the structural models by using eight samples with different values. Does the research instrument was translated into Chinese followed by a back-translation procedure to verify its status.
The Impact of Cognitive and Affective Country Image on Consumers’ Rational and Experiential Purchases

countries and different product categories. The models depict good levels of fit for the corresponding data (GFI s range between .90 and .92, CFIs between .94 and .96, and RMSEAs between .04 and .06). For each sample, the hypothesized relationships were significant. Further analyses also confirmed the proposed mediated relationships in all the samples except for the U.S. samples. The U.S. automobile sample showed that cognitive country image had a direct impact on general product image, whereas the U.S. athletic apparel sample showed that affective country image did not have a direct impact on general product image.

The current research shows that affective country image influences consumer product judgment and purchase intention differently in experiential and rational purchases. Affective country image seems to have more direct impact on consumers’ judgment of a product category from that country and subsequently their purchase intentions, which provides managerial implications for marketers.

REFERENCES
Dump it out - A Study on the Handbag

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Elliott Richard, University of Bath, UK  
Ki Yan Wong, The Hong Kong Polytechnic University, China

ABSTRACT

The handbag is a key accessory in the world of fashion. Its market value is significant and continues to rise. In the luxury market, the handbag is not only a major profit center in the whole business portfolio of a company, but is also strategically critical in that context. In this study, the handbag was found to be more than an accessory or fashion item for youngsters. Young people can spend a great deal of money on a designer handbag. Inside a handbag, they are carrying objects/signifiers of who they were/are/will be. Further to a conventional interpretive study for thick description, a new research method – dump it out, is planned for this study.

INTRODUCTION

In response to the question, “Is there anything that you want to buy at this moment?”, “a handbag” was the most popular answer among the female youngsters in Hong Kong. In a study conducted by MINTEL (2008) in the U.K., it was discovered that sales of handbags in that country grew 146% between 2000 and 2005 to reach a value of 350 million pounds. MINTEL predicted that, in 2010, the handbag sector will amount to 72% of the market value of women’s accessories as a whole in the U.K. In another report on the world market, Koncept Analytics (2009) asserted that “handbags are one of the key accessories driving the fashion world.” Strategically, luxury brands are using handbags to enter new markets. Furthermore, many luxury brands sell more accessories and handbags than ready-to-wear clothing (Chevalier and Mazzalovo 2008).

Academics in the field of marketing have noted the importance of symbols in shaping needs. It has been argued that consumers today are consuming the symbolic meaning of goods in the grand project of constructing and expressing the self (e.g., Elliott 1991, Featherstone 1991, Levy 1959). Baudrillard (1988) held that consumption is a “play of symbols.” In view of its visual nature, the saliency of the symbolic nature of consumption is even more pronounced in fashion (Barnard 1996). The fashions around us have transcended functional attributes, as is evidenced in our overflowing wardrobes. This superfluity can be explained by the saturated/fragmented nature of identities/selves in the postmodern ethos (e.g. Gergen 1991, Giddens 1991). Belk’s seminal study (Belk 1988) has drawn attention to possessions as they relate to selves, not only to the notion that “we are what we have.” Our possessions can tell something about our relationship with the other, our connection with the past, our sense of control and mastery (Weisz et al. 1984), and our extended selves. Along this line of thinking, given the limited capacity of a handbag, the things inside it epitomize the self/ves at a moment in time.

HANDBAGS IN POSTMODERNITY – A CARRIER OF SELF/VES

“I don’t change my handbag very often, as I have to sort everything out and put them all in a new one – that’s too much trouble for me.”

(Researcher’s notes)

In a postmodern world, we face the dilemma of an identity crisis (Giddens 1991: 201). The world is running too fast for us to catch up with it (Giddens 2002). Our saturated/fragmented selves and the hyperreality of it has been described as liquid. We might be liberated, yet we can feel an ensuring loss of control and confusion. Allport (1937) suggested that, when we awaken every morning, we need something to remind us of who we are that we were the same person as the night before. This something, as Allport (1937) avowed, exists in our personality, Belk (1988), however, argued that, in this context, our belongings and possessions could play a major role. Belk wrote, “our possessions are a major contributor to and reflection of our identities” (p. 139). Collins Concise Dictionary Plus (1984) defines the handbag as “a woman’s small bag carried to contain personal articles” (p. 564). In line with the argument of Belk (1988), in postmodernity, the handbag is not just a carrier of our possessions; inside, it contains our “selves”. This includes the “selves” we have probably forgotten (long hidden in one of the compartments), about who we were are/wanted to be (e.g., ID card(s), a brochure of our dream college, etc.). Relative to the malleable self, the handbag is probably more stable, for the reason of inertia. It is something people don’t want to change very often, as it is too much trouble to keep sorting through things in their handbags.

OBJECTIVES: – METHOD AND CONTENT

This study is intended to explore: the handbag as a site for interpretive study; the symbolic significance of the handbag and the role of self/ves in the context.

METHOD

The seminal study of Csikszentmihalyi and Rochberg-Halton (1981) involved a survey of eight families in Chicago, who were interviewed on the subject of their feelings about common household objects. The study has a compelling conclusion: that the human capacity for the creation and redirection of meaning offer the only hope for survival. This study shed light on the consumer study of the kind (e.g., Fornier 1998, Belk 1988). Recently, Coupland (2005) used the kitchen pantry as a site for her ethnographic study for a brand that is considered “mundane and blends into the household environment” (p. 106). She argued that, consumers “do have the agency, but this agency lies not just in the ability to embrace or create new brand meanings but in the capacity to forget, minimize, and overlook brands that enter the home” (p. 116).

In this study, the handbag is used as the prime site for investigation. A handbag is something that many people will not change every day. Moreover, there are brands and objects inside it that people also “forget, minimize, and overlook,” although there are also objects/brands to which they have a strong attachment (Belk 1988) and that are also symbolically meaningful for their self/ves (Elliott 1999).

As a result, when I clean out the stuff inside [my handbag], I feel reborn. The feeling before was so...
heavy, the experience is rather cleansing.”  
(Researcher’s notes)

Because of the size of their bag, and because of the influence of fashion, most of the informants in this study will change their bag at times, although not every day. The things that they keep, leave, dispose of, discover, have lost and then found, and are amazed at, are sites for the construct of the selves.

PARTICIPANTS

Seventeen female informants were randomly recruited from a university campus in Hong Kong. Their handbags were searched by the first author. All of the informants are university students, who ranged in age from 20 to 23. The “handbag” profile of the informants is shown in Table 1.

<table>
<thead>
<tr>
<th>Name</th>
<th>Sex</th>
<th>Age</th>
<th>Handbag Details</th>
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<tbody>
<tr>
<td>Kayu</td>
<td>F</td>
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<tr>
<td>Joanne</td>
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<td>21</td>
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<td>Rachael</td>
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<td>Karen</td>
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<tr>
<td>Name</td>
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<tr>
<td>Cary</td>
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<tr>
<td>Jessica</td>
<td>F</td>
<td>21</td>
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<tr>
<td>Nat</td>
<td>F</td>
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<td></td>
</tr>
<tr>
<td>Joyce</td>
<td>F</td>
<td>22</td>
<td></td>
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<tr>
<td>Amy</td>
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<td>21</td>
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<tr>
<td>Name</td>
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<tr>
<td>Ivy</td>
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<td>Lay</td>
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<td>Janet</td>
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<td>Shirley</td>
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<tr>
<td>Ceci</td>
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INTERVIEWS
The venues for the interviews were the university’s student canteen and, whenever possible, the informants’ home, for a relaxed environment that would stimulate references to the informants’ possessions. In the home, it was also possible to observe displays of objects that were of possible importance and meaning to the owners (Belk 1988), which and provided cues to understanding an informant’s lifestyle and personality (Csikszentmihalyi & Rochberg-Halton 1981).

Each interview lasted for one and a half hours. The interviews were in-depth and semi-structured. The flexibility of the format allowed the informants to express themselves freely, and interesting topics always came up.

The earlier stage of the interviews commenced with a ‘grand-tour’ of questions pertaining to the biography and general lifestyle of each informant (McCracken 1988). This was then followed by questions to obtain an understanding of patterns of consumption as they related to bags, such as the choice process, purchasing criteria, and consumption frequency. These provided extra information about the informants’ attitude towards their bags. Subsequently, the informants were asked to take out all of the things inside their bags, and were questioned about those items.

FINDINGS AND DISCUSSION
The handbags
They should be more expensive because a handbag is a fashion item and lasts longer than many other fashion items

With regard to price, the bags ranged from HK$200 to HK$10,000. The informants often owned several bags at a time, with one having as many as 22 bags. Owning six or seven bags seemed to be quite common. It was generally agreed among the girls that a handbag is a fashion item.
which serves as a good reason for its premium price, as explicitly illustrated by Kayu.

Kayu: “… I always shop for the latest bags with my close friends. I think bags are important for me. It is a kind of fashion item on my body. … Every one can see it and define what kind of bag you are wearing. … Mostly I will spend over half of my part-time income to buy a bag … since the fashionable bags are always expensive.”

However, unlike the items of apparel in the fashion system, the informants think that the fashion cycle for handbags is longer. A handbag can be used for several seasons, which is another justification for them to spend more money on a handbag than on an item of clothing. Some of the informants could pay three times their monthly income on a handbag (see Table 2).

Rachael: “I like shopping with friends for bags, since bags can be used in every season. … Also, bags can easily match with clothes for different occasions. … Therefore, I am willing to pay more for my dream bag.”

They have a common goal – luxury brands
Although the informants are all still university students, luxury brands play a very prominent role in their aspirations of what they would like to have and what they actually have. A few brands are well represented on the list of bags that they own. Although not all of these are luxury labels, the informants all have a few bags from luxury brands. All of them aspire to have even more luxurious handbags, with Hermes, Louis Vuitton, and Prada being the most notable brands.

<table>
<thead>
<tr>
<th>Informants' current handbags and their ideal handbags</th>
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<tr>
<td><strong>Sex</strong></td>
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<td>Kayu</td>
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<td>Ceci</td>
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<tr>
<td>Queenie</td>
</tr>
<tr>
<td>Carman</td>
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<tr>
<td>Fiona</td>
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<tr>
<td>Tobby</td>
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</table>
Things Inside

It is not unusual for monetary value of the items contained in a bag to be around HK$5,000 (excluding the price of the handbag itself). A brand-name wallet/s, a branded keyholder, NDS, IPod, mobile phone, cosmetics, digital cameras – many of these things are considered by the informants to be basic necessities. One of them described her mobile phone as “something I won’t leave home without.” Many of them agreed that they would feel very uncomfortable if they let home with any one of the above items. When one thinks also about the value of the bag itself, an informant could be carrying as much as HK$10,000 in goods.

Small bags as organizers

Inside the handbags, it is very common to see several small bags. Each small bag carries different things that have different functions. Some bags carry a fashionable label and some are simple in design. Joanne and Fiona claimed that small bags help them to categorize different items.

Joanne: “I have a total of three small bags in my bag: one is for putting my cosmetics in, one is for putting my pills (for menstruation) in, and the other is for other things. … I would like to buy a luxury brand small bag to store my cosmetics in, since I always use my cosmetics on campus and people will see my bag as well (laughs). For the other small bags, I would just randomly buy them.”

Fiona: “I have four small bags in my bag. They contain things with different functions. For example, I like to put the pens, cosmetics, personal stuff, and my MP3 in different bags. Also, the bag I used to store my cosmetics in is the most expensive one. … It matches my cosmetics (since they are all branded and relatively expensive as well).""

The informants like to bring several small bags with them in order to separate their possessions. Also, it seems that females are more willing to spend on such fashion items as a small bag that people will notice, as they are concerned about the perceptions of others. Therefore, they would like to buy a brand-name bag to store such highly visible things such as cosmetics. At the same time, it is very common to find in their handbags a small fabric drawstring bag, very often with a cartoon character on it.

The small items could be the most expensive and remarkable

Some small items could be the most expensive ones in the handbag, or were the first branded items that the informants had ever possessed and therefore could remember very well. From this very first experience owning an expensive with luxurious brand, their desire just kept growing. For example, Karen told me that her first experience with a designer label was a Vivienne Westwood cardholder she had bought a few years ago (she is still using it), since back then it was one of the few “affordable luxuries” for her. Since then, luxury brands have become more accessible to her, and she buys more designer labels. On the day of the interview, she was carrying a Prada handbag, which cost around HK$8,000.

Hello Kitty and cartoon characters

Some informants have items with Hello Kitty or other cartoon characters on them. Even if they think these cartoons are more suitable for children than adults, they do not want to replace the items. They claimed that their boyfriend likes them to be more girlish, and they use the cartoon products to enhance their girlish image.

Shirley: “I am not a fan of Hello Kitty, but the bag with kitty logo looks cute and girlish. When my boyfriend saw it, he said that it is suitable for me – we are both lovely. … That made me very happy.”

Joyce: “This mobile phone bag is really cute, and the “three-eyed monster” looks like me. When I saw it for the first time, I decided to buy it, and I still use it now.”

Strategic gift from a boyfriend

In the handbag of all of the informants who were dating someone, it was easy to find clues of that fact, normally in the form of a gift (a wallet or a keyholder) or a picture in the wallet, perhaps even the bag itself. There were interesting stories attached to the object. For Karen, a wallet with a window is an object for the confirmation of the relationship.

Karen: “This cardholder was bought by my boyfriend last year. I remember telling him to buy me a thicker one because I have so many cards to keep. However, when I opened it, I found that it is too thin and there is a window at the back. He said it is good to show our picture in the window, and has reminded me to bring it every day until now.”

To some, this rite of confirmation is sweet, so even though they do not like the gift, they keep it.

Rachel: “He bought me this cardholder that not suitable for me. I don’t like the color and the style. But he said it has two big windows, so I can keep many of our sticker photos and see him every day. Although I do not really like this stuff, I feel that it is quite sweet to bring it with me every day.”

Sometimes, it is a gift, yet with a twist

Yuki: “I have two wallets: one has no window and the smaller one has windows. The smaller one was a gift from my boyfriend. I don’t like it that much. I just use it for change. I have bought another one that I like better. I always carry both of them, since he (the boyfriend) loves to see me to carry the one he gave me.”

Past relationship

If a bag usually contains indications of a current relationship, a past relationship can have an influence on the bag and the things inside it.

Kayu: “I definitely do not bring my ex’s stuff in my bag. I do not want to remember his face or even the time I spent with him when looking at the things that belonged to him. … But I am not angry with him now.”

Cecilia: “I know my boyfriend will be angry. … I am still using this Miu Miu bag that was a gift from my ex-boyfriend. Although I do not love my ex, I like this bag. When my boyfriend
noticed this, he suddenly he bought me the same type of Miu Miu bag in a different color. … He said he does not want to see the old bag again.”

That’s what makes her so popular – the VIP cards
Lury (1996) posited that it is through “things” that man has a “social life.” Young people are easily influenced emotionally by their peers (Willis 1990), from whom they seek recognition. In this study, we found that some informants always bring along their VIP cards (discount cards for different stores and brands). They believe that, with these cards, they can make new friends easily and also become very popular. Not only can the VIP cards help their friends to save money when shopping, they can be topics of conversation. Most important of all, the VIP cards (in particular, the luxury brands) can enhance their own fashion image.

Joyce: “I have already collected over 50 VIP cards, membership cards for including for high-end brands and skin-care products. I feel more confident in front of my friends, since they like to shop with me as they know I can get a discount. It really helps to build up our relationship. We can share the latest fashion information and opinions. … Sometimes, they inspired me to try new styles, and I enjoy shopping with them too much.”

Karen: “I always goes shopping with my friends, because we have a similar character and we look for similar clothes…. Usually, I put all the VIP cards in my bag, so that we can shop at a better price, although I do not know when I will use them. This enhances me in communicating with my friends, and I think I look fashionable with these.”

The informants stated that they feel more confident in front of their friends if they have more VIP cards. To some extent, VIP cards can help a person to establish a group identity, thus increasing one’s popularity.

A Superfluous Self

Contemporary consumption is characterized by waste and superfluity (e.g., Douglas and Isherwood 1979). A postmodern explanation for the nature of this consumption could be the number of selves (Kenneth 1991) that we have to negotiate today. Inside the handbags of the informants were such mundane items as tissue paper, candies, packs of chewing gum, and old receipts. Yet the one thing that they will carry with them that is branded and relatively expensive is cosmetics.

Jessica has more than 20 different kinds of cosmetics in bags, but they are seldom used.

Jessca: “In my bags there are over 20 kinds of cosmetics, some of them I never use on campus. … My friends in class always motivate me to buy and try new cosmetics; thus, we have more topics to discuss during class. … Somehow, I have more knowledge about cosmetics. This enhances me in communicating with my friends.”

Cary admitted that she is addicted to buying cosmetics:

Cary: “I like to shop for cosmetics with friends. Our taste in cosmetics is similar. … Although I know I am already addicted to buying cosmetics, I am still willing to try new ones recommended by friends. … When I shop with my friends, I feel content and our relationship is totally enhanced.”

Things with mythical power in a designer wallet
Inside their wallet, Janet, Ceci, and Fiona keep picture of the Buddha and lucky charms (see Table 1) from temples. These were given to them by their parents, with the aim of rendering them protection from above. Yet all of them claimed that they themselves do not have any particular religion. The mythical power of religion, however, seems to have been internalized. Religion might not be significant in their daily life, yet all of them admitted that they feel a bit uneasy when they leave home without these religious objects.
CONCLUSION

Thompson (1995) described the self as a symbolic project, which the individual must actively construct out of the available symbolic materials. The individual weaves these materials into a “coherent account of who he or she is, a narrative of self identity.” In this study, the handbag was used as a research site for “the symbolic project of self.” It provided good evidence of the high literacy of consumption and the significant role of consumption among a group of young girls. The handbag is not only a carrier of objects, it carries the self(ves), whether that/those of the past, present, and probably also the future.

It was found out that the handbag is more than a fashion accessory for the informants. Since it has a longer fashion cycle, it is more functional than a conventional fashion item, and this is a good reason for them to pay more for a handbag than for other fashion items. The price of the handbag could go as high as HK$10,000. Inside the handbag it is very usual to find such things as a mobile phone, branded cosmetics, a digital camera, NDS, branded wallets, and so forth. Taken as a whole, the monetary value of the items can be stunning. An expensive luxury handbag is very often considered something of a necessity for a woman, as every informant in this study has expressed a desire to buy such a handbag.

Inside the handbags are things of different symbolic value related to the self(ves) of different contexts – past/present/future, friend/family/romantic other. There are wallets or small bags inside that act as organizers. The brands of the small things are themselves records of the informants’ consumption literacy. A small branded keyholder and a cardholder could be a mark for a first experience with luxury brands. Cartoon figures are a mediator for the girlish personal construct. Some of the informants would keep something they did not like inside their handbag, simply because it was a gift from a romantic other. An informant, Karen, was so popular among her friends because she had a whole stack of VIP cards from different stores/brands. An abundance of cosmetics in a bag, though not often used, might enhance a young woman’s feeling of femininity and bolster her social self with others, since such items serve as a good topic for conversation. The items in a handbag are not all about fashion and brand literacy, however. A luxury designer wallet could contain a picture of the Buddha or a lucky charm from a temple. These are items that some will not leave home without.

All in all, in this study the handbag has proven to be a potential site for consumer research. We can catch glimpses of the symbolic projects of the self(ves) in different dimensions; horizontally (at the same time) and vertically (through different points of the timeline). In the wake of postmodernity, our selves and identities are in a state of fragmentation, saturation, and flux. In this context, it is posited that brands and things play a strong role. In face of the fluidity of the postmodern world, a handbag and the things inside it are something we can hang on it for a more stable self(ves).

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Teenage Poker Players: An Analysis of Impulsivity, Gambling-Related Cognitions, and Comorbidity
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EXTENDED ABSTRACT

Gambling on poker has become the favourite pastime of millions of young people the world over. However, despite poker’s ubiquitous presence, online and off, little is known about poker participation among youth from a consumer behaviour perspective. Information on poker players’ demographics and personality characteristics, their proclivity for problem gambling, and comorbid behaviours is sorely lacking. Given the popularity of this resurgent gambling activity, empirical research on youth poker gambling needs to be carried out and integrated into the growing body of literature on youth gambling. Doing so will enable gaming providers, policy makers, regulators, counsellors, and parents to deal with youth gambling in a responsible manner. Furthermore, since the Internet has made online gambling universally accessible, it is vital that studies related to gambling are conducted across different countries. Toward this end, this research has four objectives: (1) establish general gambling participation and poker participation prevalence among teenagers in Australia; (2) assess how poker players differ from the general population and other gamblers on the impulsivity sensation-seeking scale; (3) to assess gambling-related cognitions among poker players and other gamblers; and (4) to assess the extent of comorbidity in gambling and consumption of alcohol, nicotine, and recreational drugs. Data from 2,000 teenagers from the Australian state of Victoria were collected for this research.

Data collection was carried out in two phases. In the first phase, we conducted two focus groups comprising of 13 female and 12 male university students, aged between 17 and 19 years. During the focus groups, students talked about how often they played poker, whether they engaged in other forms of gambling besides poker, their frequency of poker gambling, their use of tobacco, alcohol, and recreational drugs, the amount spent on gambling in a typical session and their disposable income. The focus groups were helpful in understanding teenager mentality when it comes to gambling in general and poker in particular. As such, data from the focus groups were very helpful in formulating the final questionnaire. We then collected data using an online questionnaire from 2,000 Victorian teenagers, aged between 15 to 19 years, using a consumer panel. The online questionnaire took 20-25 minutes to complete. It comprised of questions relating to respondents’ level of impulsive sensation seeking, use of alcohol, tobacco, and recreational drugs, gambling behaviours and attitudes, poker playing attitudes and activities, and proclivity for problem gambling.

The results reveal that within Australia, approximately 40% of all teenage gamblers have gambled on poker at least once in their life. Poker players tend to be more impulsive and sensation seeking, share more gambling-related cognitive distortions, and have a higher proportion of problem gamblers than those teenagers who participate in other forms of gambling activities. In terms of comorbidity with substance abuse, we found a significant correlation between gambling and alcohol consumption, but did not find any link between gambling and consumption of alcohol or recreational drugs. This lack of relationship may have to do with the age, the culture, or other variables that influence the relationship between gambling and substance abuse. While the game of poker poses little risk to over 70% of teenagers who have gambled on poker at least once in their life, 18.4% of all teenage poker gamblers fall in the problem gambling category. The findings highlight that effective mechanisms are urgently needed in terms of social marketing, demarketing, and counselling to address the concern of youth problem gambling.

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When Does Being Good Imply Doing Good?: Exploring Context Effects of Corporate Social Responsibility
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EXTENDED ABSTRACT

Prior research on CSR has primarily focused on the strategic advantages of a positive CSR reputation (Cone Citizenship Study 2004; Sen and Bhattacharya 2001). A company’s involvement in CSR activities acts as a testimonial to its fundamental character and personality and differentiates it from competitors who may lag behind in such activities. Such a positive reflection of character may confer strategic advantages such as mitigating negative actions should the company face adversity in some unrelated domain (Klein and Dawar 2004). In this paper, drawing upon the inclusion/exclusion model of context effects (Schwarz and Bless 2007), we explore the double-edged nature of a positive CSR reputation: sometimes it may actually hurt to have a positive CSR reputation.

In line with the inclusion/exclusion model, we contend that, when CSR reputation is used to interpret company action, assimilation effect will occur and an uncertain, ambiguous action will be judged positively for a socially responsible company: when CSR reputation is used to form judgment standard against which the company is compared, contrast effect would occur and an ambiguous action will be evaluated negatively for a socially responsible company. Furthermore, we argue that the presence or absence of information on competitor actions influences which context effect, assimilation or contrast, will occur. When information on competitor actions is lacking, assimilation effect is likely to occur and a socially responsible company will get the benefit of doubt for their ambiguous actions at times of a crisis. However, the presence of information on competitor actions is likely to prompt the formation of judgment standard, leading to a contrast effect because a socially responsible company will be held to a higher standard and be punished for ambiguous actions.

Study 1 explores a product-harm crisis wherein a company is purported to have precipitated a health crisis due to consumers’ consumption of its defective product. Apart from manipulating CSR reputation (positive, negative) we also manipulate the response of the company which is positive, indecisive/ambiguous, or negative. We did not provide any information on competitors’ actions in similar circumstances. Results of this study indicate an assimilation effect. When the focal company enjoyed a positive CSR reputation, an ambiguous, somewhat less than definitive action on the part of the company in response to the product-harm crisis resulted in more positive attitudes, as if the action is positive. However, when the company’s CSR reputation was negative, an ambiguous action led to more negative attitudes, as if the action is negative. This assimilation effect manifests across both measures of company evaluation (whether positive or negative) and company beliefs (based on a 3 item index of whether the company is trustworthy, has consumers’ best interests in mind, is concerned about consumer welfare).

Our more interesting finding comes in Study 2. Here too we manipulate both the focal company’s CSR reputation and its action in an adverse situation as being positive, ambiguous, or negative. However, in the scenario which involves a price increase decision in the face of rising input costs, we also include information on the competitors’ actions in each instance. Our results suggest a contrast effect. The company with a positive CSR reputation was held to a higher standard (i.e., it was compared to those competitors who provided a superior response in the crisis) and its ambiguous action was seen as negative or inadequate; the company was punished with lower ratings of company evaluation and company beliefs relative to those in the case of a positive action. However, the company with a negative CSR reputation was held to a lower standard (i.e., it was compared to those competitors who provided an inferior response in the crisis), and its ambiguous action resulted in higher ratings of company evaluation and company beliefs relative to those in the case of a negative action. This study demonstrates a previously neglected aspect of having a positive CSR reputation, that is, its high maintenance cost. While socially responsible companies may enjoy a halo effect when their ambiguous actions are viewed in isolation, if attention is drawn to competitors with a superior response they are punished for inadequate actions.

Our research not only complements the existing CSR literature by documenting the double-edged nature of CSR reputation, but also contributes to the research on context effects by suggesting a new variable, the presence/absence of information on competitor actions, which influences whether assimilation or contrast effect will happen. Furthermore, our findings suggest that information internal (i.e., CSR reputation) as well as that external to the focal company (i.e., actions of competitors) will jointly determine the formation of comparison standard against which the company will be evaluated. Prior research on contrast effect has focused on either internal (i.e., information about the company itself) or external (e.g., information about other companies) information but not both.

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ABSTRACT

This study examines the moderating effects of collectivism and awareness of cause-related marketing (CRM) on the influence of fit on consumer acceptance of and skepticism toward CRM. We compare responses among 613 individuals of varying levels of CRM exposure and collectivist tendencies: European-Canadians, earlier Chinese Canadians, recent Chinese Canadians, and Mainland Chinese. Hierarchical regression test results reveal that the three-way interaction is significant. As awareness of CRM increases, fit assumes greater importance. Fit also appears to be more important among those who are high on collectivism. While fit matters to European-Canadians, it is relatively more important to Chinese.

MODERATING ROLE OF CULTURE ON CRM

Company/charity partnerships have become commonplace in North America. These partnerships are marketed to the public by the company for the purpose of positively representing the company, in addition to providing cause support. Known as cause-marketing or cause-related marketing (CRM), these partnerships have blossomed over the past 25+ years. CRM originated in the USA (Josephsohn 1984), and has since spread around the world. In 2010 estimated CRM spending in the USA was over $1.6 billion, dramatically up from the $120 million spent in the USA in 1990 (Cause Marketing Forum 2010).

Initially, the notion of CRM may be somewhat strange to consumers who have not previously encountered it. Evidence of companies’ charitable efforts being actively marketed could be somewhat off-putting upon first exposure. In this research we wish to examine consumer acceptance of CRM, and skepticism toward CRM, comparing those for whom the practice has become commonplace with those for whom the practice is relatively new. China is just beginning to enter into CRM efforts, whereas Canadian businesses have been actively promoting CRM for decades. As such, we compare support for and skepticism of CRM in China and Canada.

LITERATURE REVIEW AND HYPOTHESES

Cause-related Marketing

CRM is defined as “the process of formulating and implementing marketing activities that are characterized by an offer from the firm to contribute a specified amount to a designated cause when consumers engage in revenue-providing exchanges that satisfy organizational and individual objectives” (Varadarajan and Menon 1988: 60). CRM is not corporate philanthropy, nor simply socially responsible corporate behavior. In essence, it is a marketing strategy and a commercial tool for firms (Hemphill 1996). Its result, however, provides social benefits to a nonprofit or cause.

Previous studies have examined the influence of a number of variables on the effectiveness of CRM campaigns. These include the perception of the company’s perceived motivation (Barone, Miyazaki, and Taylor, 2000), the company’s perceived sincerity (Webb and Mohr 1998), the type of cause (Ross et al. 1990-1991), the nature of the product (Strahilevitz and Myers 1998; Subrahmanyan 2004), the amount of money given to the cause (Dahl and Lavack 1995), and the “fit” between the firm and the cause (Samu and Wyner, 2009; Hoeffler and Keller 2002; Pracejus and Olsen 2004; and Hamlin, 2004), among others. In this research we focus on the role “fit” plays in reducing consumer skepticism toward CRM.

Existing CRM studies show that by purchasing from a more socially responsible firm, consumers perceive increased value in the product (Polonsky and Wood 2001) and they feel they are contributing to society (Strahilevitz and Myers 1998). This provides additional customer value. Linking to a cause can differentiate firms in consumers’ minds (Webb and Mohr 1998) and thus increase corporate profits (Krishna and Rajan 2009).

A recent American study shows that over the past 17 years there has been a 22% increase in the proportion of consumers who feel it is appropriate for companies to use causes for marketing purposes, up now to 88% approving of the practice (Cone 2010). This is significant in that it demonstrates a trend that may be expected for other countries as well. Specifically, consumers may be skeptical of companies’ motives initially, but support will increase as familiarity and exposure increase (Singh, Kristensen, and Villaseñor, 2009). A similar pattern of acceptance is expected in countries with less CRM exposure.

Company-cause Fit

Hoeffler and Keller (2002) suggest that causes which are relevant to consumers and are perceived to be similar to the brand build better brand equity. This similarity between cause and brand is called fit. The notion was first conceptualized in the brand extension literature, where fit was assessed in terms of whether a brand extension served as a complement, a substitute, or capitalized on unique knowledge (Aaker and Keller 1990). It was then applied to CRM alliances (Basil and Herr 2003). Fit can be either positive or negative (Basil and Herr 2003). Generally when scholars address fit they are referring to positive fit, whereby some synergy is evident between the cause and the company. This would be true for Nike and the Special Olympics, for example. Negative fit, on the other hand, occurs when the company-cause link represents a negative association, as seen in cases whereby the company’s product causes the social problem which the cause is addressing, as would be the case if Mothers Against Drunk Drivers (MADD) formed an alliance with an alcohol company. In the present research the importance of positive fit is assessed, with fit meaning “organizations sharing a common concept…” (Basil and Herr 2003). This definition is intentionally broad, as fit can occur with regards to the organizations’ mission, products offered, or even market served.

Scholars have examined fit between the cause and the brand and its relation to the success of a CRM campaign (e.g. Hamlin 2004; Hoeffler and Keller 2002; Pracejus and Olsen 2004) and have demonstrated that fit has a positive effect on consumer reaction. Drumwright (1996) indicates that consumers react more positively when there is a close link between the firm’s core business and the cause. Fit helps to transfer positive associations from a cause to an associated brand, and thus improve brand image, and it has
a tremendous impact on the success of CRM campaigns (Pracejus and Olsen 2004). Importantly, research suggests that fit enhances perceptions of the strength of the relationship between the company and the cause, decreasing negative thoughts toward the alliance (Basil and Herr 2006). Fit can serve as an explanatory variable for consumers, helping them to understand why the company would support the charity in this way. Such an understanding may relieve at least a portion of consumer concern that the company’s support is purely egocentric.

**Awareness of CRM**

Consumers with less exposure to CRM are expected to be somewhat more skeptical toward it. For those with less CRM exposure, fit is expected to be viewed as a relatively less important element. As consumers become aware of CRM, they would be less skeptical and more favorable. However, it is also likely that increased awareness increases expectation of fit between company and the cause, as greater CRM exposure will make consumers more demanding about quality of CRM campaigns. When awareness is high and the fit is perceived to be important, consumers will be more skeptical and less favorable towards CRM. In other words, the relationship between fit and CRM perceptions would be influenced by the level of awareness. Thus:

H1: Awareness of CRM will moderate influence of fit on skepticism towards CRM such that, higher fit expectation will increase skepticism when consumers are highly aware.

H2: Awareness of CRM will moderate influence of fit on favorability towards CRM such that, higher fit expectation will reduce favorability when consumers are highly aware.

H3: Awareness of CRM will moderate influence of fit on brand choice intention, such that, higher fit expectation will reduce intention when consumers are highly aware.

**Collectivism**

According to Hofstede, collectivistic characteristics involve interdependence, collectivity-orientation, belief in group decisions, sharing emphasis, cooperation and group harmony (Hofstede 1980, 235-236; Zhang and Neelankavil 1997). Hui and Triandis (1986) pointed out that collectivistic individuals have more “concern” toward others. They strive to maintain social relationships by sharing material resources and by feeling more involved with other people’s lives. Individuals high on collectivism are connected with each other through kinship networks and reciprocity (Joy 2001). By nature, CRM is designed to help a cause. Individuals with collectivistic characteristics are expected to show their concern for others in order to maintain societal harmony. They are expected to be positive and supportive to causes and therefore likely to support CRM campaigns. Collectivist consumers would also expect companies to do the same.

Due to their cultural attributes, consumers with collectivist tendencies are expected to be somewhat less skeptical toward CRM. However, since they expect companies to share the responsibility to support causes, they would be more judgmental about the quality of CRM campaigns. For those high on collectivism, fit is expected to be viewed as a relatively more important element. When fit is perceived to be poor, collectivist consumers will be more skeptical and less favorable towards CRM. The reverse would be true when fit is perceived to be strong. Fit would be less of an issue for consumers lower on collectivism since they would not expect companies to support causes as part of their corporate responsibility. Individuals low on collectivism would expect individuals to fend for themselves. To conclude, the relationship between fit and CRM perceptions would be influenced by the level of collectivism. Thus:

H4: Collectivism will moderate the influence of fit on skepticism towards CRM such that, higher fit expectations will increase skepticism when consumers are highly collectivist.

H5: Collectivism will moderate the influence of fit on favorability towards CRM such that, higher fit expectations will reduce favorability when consumers are highly collectivist.

H6: Collectivism will moderate the influence of fit on brand choice intention, such that, higher fit expectations will reduce intention when consumers are highly collectivist.

**Cause Related Marketing In Canada And China**

To get variance in awareness and collectivism, we collected data from consumers residing in Canada and China. CRM programs have grown in Canada (Dwek 1992) and have become an important part of companies’ marketing plans (Walker 1996). Canadian consumers are positively inclined to socially responsible companies. “Companies selling from burgers to credit cards are turning to CRM to get closer to their customers” (Chamberlain 1995, 8). Canadian consumers have a very positive attitude to this marketing activity (Lavack and Kropp 2003). Many CRM campaigns have originated in Canada, such as Loblaw’s pairing with Food Banks Canada (Canadian Fundraising and Philanthropy 2009, April 15). Since 80% of the Canadian population lives within 200 miles of the American border, and most can easily receive American television, newspapers, magazines, and other media, Canadians have long been exposed to American CRM campaigns as well. The presence of many highly publicized CRM campaigns used in both Canada and the USA suggests a good deal of commonality between the two regarding CRM.

China, on the other hand, has very little experience with CRM. Chinese NPOs are still in their early stages of development (Zeng 2004). NPOs emerged in China only after the policy changes in late 1970s (Li and Lu 2002). With the advent of a market-oriented economy, Chinese consumers now have more disposable income (Scarry 1997), leading to stronger Chinese consumer spending (Wells Fargo Securities 2011). Importantly, a recent study has shown a strong increase in Chinese consumer support for companies that support good causes (Edelman 2010). Being the most populous market in the world, such a distinctive culture and an emerging economy, China merits further consumer study.

Although a mainstream commercial marketing tool in the West, CRM is still a relatively new marketing phenomenon in China. There is little information available about the size and growth of CRM in China. Some examples of well publicized CRM campaigns introduced in China include campaigns by McDonald’s, Nong fu Mineral...
Water, Johnson and Johnson, Procter and Gamble, and Janssen-Cilag. Most CRM campaigns in China originate from foreign companies (Lu 2001).

There are very few academic studies regarding CRM found in Chinese literature (Zeng 2004). Two conceptual studies discuss the success of CRM in the U.S. and examine CRM case studies in China. These show that both local companies and joint-ventures in China have gained massive publicity by providing financial help to causes through CRM campaigns (see Li and Lu 2002; Zeng 2004). Empirical research is needed to explore Chinese consumers’ reactions towards CRM.

The majority of CRM studies to date have been conducted in the United States, Europe, Australia, and New Zealand, mostly with consumers of European descent. Only a few CRM studies have been conducted in countries outside the West. Subrahmanyan (2004) examined Singaporean students’ views of CRM in terms of product, price and donation amount. A second study was a cross-cultural comparison of consumer attitude toward CRM, which was conducted in Canada, Australia, Norway, and Korea (Lavack and Kropp 2003). Results showed that attitudes toward CRM varied across countries and personal values. Consumers’ attitudes were more positive in countries like Canada where CRM was well established, while less favorable in countries like Korea where CRM was not as well established. A third study comparing Americans and Poles investigated the influence of the dominant self-construal paradigm on the willingness to support the cause (Vaidyanathan, Aggarwal, and Kozlowski 2011). The authors reported that collectivist cultures are willing to support the cause more if it is perceived to be of a pro-social nature.

We wish to extend this research by examining CRM in Canada and China. Given their greater exposure to CRM, we expect that consumers in Canada will respond more positively to CRM and will demonstrate less skepticism toward CRM than will Chinese consumers. Extending this line of reasoning, Chinese immigrants to Canada should be more positive toward CRM compared to Chinese nationals, and this tendency should be greater for those who have been in Canada longer.

**METHOD**

All recruitment procedures were consistent with requirements of the University’s Human Subjects Ethics Committee. A pre-test with 13 Canadian respondents and 11 Chinese respondents present in Canada was conducted to check the clarity of the questions, the accuracy of the language, the structure of the questionnaire, and the time it took to complete the survey. A convenient sample of 613 individuals participated in the main study.

To assess the hypotheses with individuals of varying levels of CRM exposure, four groups of participants were accessed: European-Canadians living in Canada (hereby called Canadians), Chinese living in Canada for over five years (referred to as earlier Chinese immigrants), Chinese living in Canada for fewer than five years (or recent Chinese immigrants), and Chinese living in China (hereby called Mainland Chinese). Canadian respondents filled the survey in English, while Chinese filled in Simplified Chinese language. The questionnaire was originally written in English and translated into Chinese and later back translated to ensure accuracy. The survey ensured that both the parents belonged to the same race as the respondent. All the chosen respondents were above 18 with at least a high school diploma. The self-administered survey was conducted in Lethbridge and Calgary for Canadian data and Beijing for Chinese data. All respondents in both the pre-test and the main study were given a University pen as compensation for their time and efforts, irrespective of whether they completed the questionnaire. In addition, a random draw for 50 Canadian dollars in Canada and 50 RMB yuan in China was conducted after the data collection.

**RESULTS**

In total, 166 Chinese, 143 recent Chinese immigrants, 145 earlier Chinese immigrants, and 159 Canadians completed the survey. See descriptive statistics in Table 1.
FACTOR ANALYSES AND RELIABILITY CHECK

Each item was measured on a 7-point semantic differential scale (where 1 denotes strongly disagree and 7 denotes strongly agree). For each measure, individual items were summed into a scale and Cronbach’s alpha for the scales was calculated. Reliability scores met the basic requirement for research of .60 as suggested by Nunnally (1978).

Two items regarding attitude toward fit between brands and causes were included in the questionnaire (Based on the above information, it is important for me to see close fit between brands and causes in CRM campaigns and I have a positive attitude toward close fit between brands and causes in CRM campaigns). This alpha value was .85 (r = .74, p < .01). Awareness towards CRM campaigns was measured with single item (Prior to this study, I had heard of marketing campaigns where companies promise to donate a certain percentage of the sale price to a cause or a nonprofit organization). Factor analysis with the collectivism items revealed similar factor loadings as the original scale developed by Jung (2002). A ‘collectivism’ factor with an alpha of .84 loaded with six items (importance of maintaining harmony, sacrifice of self-interest, respect for group decision, importance of group harmony, importance of group interests, and observance of group norms). “Social consciousness of respondent” was measured with two items (I often donate money/products to local charities, and I often engage in volunteer work) with an alpha of .66 (r = .50, p < .01).

The CRM attitude questions were derived from Ross et al. (1992), Chaney and Dolli (2001), and Deshpande and Hitchon (2002). Factor analysis on the CRM attitude questions revealed two underlying factors: “skeptical towards CRM campaigns” with an alpha of .62 (In general, most companies only make charitable contributions to make themselves look good, When people buy charity linked products, they will reduce the amount they usually donate to charity, Charities that link up with a company are “selling out” to the company, Charities should fundraise by other methods rather than be linked to the sale of a company’s product), and “favorable towards CRM campaigns” with an alpha of .90 (I find most CRM campaigns credible, I find most CRM campaigns believable, I find most CRM campaigns pleasant, I like most CRM campaigns, I think brands involved in CRM campaigns are socially responsible, I think brands involved in CRM campaigns are socially desirable, and I think brands involved in CRM campaigns are good for the community).

The “brand choice intention” factor comprised of two items (I would be tempted to try a brand as a result of a CRM promotion if I regularly use the product category and I would be likely to switch brands to one associated with a good cause, if price and quality are similar) with an alpha of .61 (r = .44, p < .01). These questions were sourced from Ross et al. (1992).

HYPOTHESES TESTING

Before testing the hypotheses, one-way ANOVA followed by a Bonferroni test was conducted for manipulation check on differences on collectivism. The ANOVA results were significant (F = 43.34, p < .01). Bonferroni test results showed that all the groups differed from each other on the collectivism scale with Mainland Chinese reflecting highest collectivism (M = 5.51) followed by recent Chinese immigrants (M = 5.10) and earlier immigrants (M = 4.71) and Canadians reflecting the lowest on collectivism (M = 4.44).

We conducted a hierarchical regression test by entering control, predictor, and moderator variables in subsequent steps as shown below in Table 2. As discussed earlier in the document, we hypothesized independent moderation effects of awareness and collectivism on the influence of fit on each of the three dependent variables. Hypotheses 1 and 4 were supported by regression results. However, the full factorial model revealed that the three-way interaction between fit and the two moderators was significant for all three dependent variables (std. B for skeptical to CRM = .52, P < .01; std. B for favorable to CRM = 1.49, P < .05; std. B for brand choice intention = 1.41, P < .05). See Table 2. The three-way interactions, in general, supported our hypotheses. It is a standard practice that when the results of a higher level interaction (three-way in our case) are significant, it is assumed to have higher analytical power over the lower level effects (main effects and two-way interaction in our case). As a result, we primarily focus on reporting and interpreting the relationship between the three independent variables based on their three-way interaction in the rest of the paper. We created visual depictions of the three-way interactions by providing information on unstandardized regression coefficients, means, and SDs using a macro available on Jeremy Dawson’s website [http://www.jeremydawson.co.uk/slopes.htm].

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<th>Table 2: Test of main and interaction effects</th>
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As reflected in Figure 1, when a consumer is high on collectivism and high on awareness of CRM, fit negatively influences skepticism (line 1). When awareness is low (line 3), influence of fit on skepticism is positive. To conclude, fit matters more for highly collectivist individuals when they become more aware of CRM.

Figure 1: The moderating effects on the influence of fit on skepticism towards CRM

![Figure 1](image)

Figure 2 reveals a positive influence of fit on favorability to CRM. This is especially true when consumers are more aware and high on collectivism (line 1). Similar results are found in relation to brand choice intention (Figure 3). The influence of fit is positive on the dependent variable when awareness is higher. This moderating effect is clearer when consumers are high on collectivism (line 1).
The three-way interactions among all three dependent variables show a similar pattern. When awareness is low, consumers are more skeptical and less favorable to CRM and report a lower intention to choose the CRM brand. When consumers become more aware, they become more sensitive to the fit between the company and the cause. Awareness influences the role attitude to fit plays in creating variance in CRM perceptions. These shifts are more evident among those consumers who are high on collectivism.

DISCUSSION AND CONCLUSION
The results provide interesting insights into CRM awareness and responses for the selected groups of participants, namely Canadians, Chinese, and Chinese immigrants to Canada. As expected, Canadians are very familiar with CRM. Somewhat surprisingly, so are mainland Chinese. Canadian immigrants from China are least aware of CRM, of the groups studied. Upon reflection this is perhaps to be expected. In very recent years, China has made phenomenal gains regarding consumer response to social responsibility. In fact, the very recent Edelman report (2010), which studies issues related to social responsibility around the world, found Chinese consumers to have among the highest expectations for corporate social responsibility efforts, even above Canada. Both Canadian and Chinese companies appear to now be embarking in these efforts, and citizens appear to have awareness. It is the immigrant groups who are less aware. This may be due
to limited exposure to media in their own language, thus limiting their opportunity for exposure to CRM.

Chinese consumers appear to be more skeptical of CRM than Canadians. Despite a high awareness level of these efforts in Mainland China, consumers are not as accepting as Canadians. This may well be due to the fact that CRM is still a relatively new phenomenon in China and the fact that Chinese are more collectivist than Canadians. Repeated, long-term exposure may be necessary to quell concerns and reduce skepticism. Repeated exposure could also be useful in increasing favorability towards CRM and brand choice intention, especially among those who are high on collectivism.

However, as awareness of CRM increases, fit assumes higher importance. Fit appears to be more important also among those who are high on collectivism. While fit still matters to North Americans, it is comparatively more important to Chinese.

**CONCLUSION**

These results offer interesting insights into consumer response to CRM for Canadians, Chinese, and Chinese immigrants to Canada. They suggest first that Chinese are becoming aware of CRM. They also suggest greater skepticism toward CRM for Chinese, perhaps due to the relative newness of this practice in China. Finally, they suggest that fit between the cause and the company is important to Chinese, and remains important to Canadians as well.

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Motivators and Inhibitors of Environmental Consumption in an Emerging Economy: The Case of Mexico

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ABSTRACT
This qualitative study investigates motivators and inhibitors of environmentally friendly behaviors in the context of an emerging economy. Based on interviews and observation, four dominant themes emerge from the analysis: Social class, generational differences, habits and modernity, and consumer confusion and credibility. Some environmentally-unfriendly behaviors, such as the use of disposable dishes, seem to be deeply-rooted in traditions and the desire to participate in the modern world. We conclude that the single-most important reason for the environmental knowledge-attitude-behavior gap is based on a discrepancy between a higher-level, relatively abstract benefit and a specific, very tangible and immediate cost of environmentally-friendly actions.

INTRODUCTION
Personal consumption, and more specifically, overconsumption of natural resources, plays an important role in the deterioration of the natural environment (Tanner and Wölfing Kast 2003). Thus, reducing the negative impact of consumption is imperative in order to prevent the earth’s climate losing its fragile equilibrium. However, protecting the natural environment is not only a matter of avoiding the consequences of global warming, but also of quality of live on a local level. For example, toxic substances from solid waste accumulating in ground water and eventually in the food chain may severely affect the health and overall well-being of fauna and flora, including human beings (Shrum, Lowrey, and McCarty 1994). Understanding the motivators and inhibitors of environmentally conscious consumer behavior is thus a prerequisite for formulating and designing incentives and stimuli that are able to effectively change these behaviors. In a first instance, it seems to be intuitively clear that knowledge and positive attitudes consumers have about environmental issues are fundamental in order to achieve behavioral changes. However, although some researchers find that environmental attitudes may predict ecological behavior (e.g., Kaiser, Wölfing, and Fuhrer 1999, Schlegelmilch, Bohlen, and Diamantopoulos 1996), an overwhelming number of studies confirm the existence of a knowledge-attitude-behavior gap in ecological consumer behavior (Kollmuss and Agyeman 2002). For example, Mainieri et al. (1997) find general environmental attitudes to be a poor predictor of green buying, and concrete short-term factors such as convenience seem to be more important to recycling behavior than general beliefs about the importance of recycling (McCarty and Shrum 1993). In other words, “American consumers ‘Talk the Green Talk’ but do not ‘Shop the Green Walk’” (Bamossy and Englis 2010, p. 1).

Reviewing the current literature, it is striking that, with very few exceptions (e.g., Connolly and Prothero 2003, Ger 1999, Tadajewski and Wagner-Tsukamoto 2006), an overwhelming majority of studies in environmental consumer research are quantitative. This is surprising because qualitative research is frequently the more useful approach in order to understand underlying motivations and meanings in consumer research and the social sciences in general. Giving the urgency of coming up with research results that are able to take an active part in inducing the long-needed paradigm shift necessary to bring green consumer behavior from a marginal movement of environmental enthusiasts to a mainstream reality, this article follows a qualitative, interpretative approach aiming at increasing quality of life and well-being for consumers and stakeholders in the spirit of transformative consumer research (Mick 2006). Building on the idea of presenting results in a context where they have most impact, we chose Mexico, a relatively populated emerging economy, as our research setting. Mexico, with a population of 107 million and a gross domestic product of around USD 8,000 per capita in 2009 (World Bank 2010), finds itself in a group of richer economies in Latin America, together with countries such as Argentina, Brazil, and Chile. Similar to emerging economies in Asia, the infrastructure has not been able to keep pace with the economic development, resulting in substantial environmental problems. It is likely that these problems will become more severe in the future, due to the economic and demographic growth of the country, combined with an increasing proliferation of modern consumer products. Unfortunately, emerging economies are frequently not willing to learn from the failures or problems of first-world countries – rather, they seem to be “keen to consume as much as they can, as soon as they can, and make their own mistakes” (Ger 1999, p. 276). Thus, there are two reasons why proponents of sustainability should dedicate special attention to emerging economies: The first reason is related to the question, what would happen to the planet if every Chinese, Mexican, or Brazilian consumer had a car, a washing machine, central heating, and air condition? That is, what would happen if consumers in emerging and less developed economies had the same consumption levels as consumers in first-world countries? And second, in terms of eco-efficiency, emerging economies such as Mexico are very interesting cases for transformative consumer research, because contrary to many developed countries, relatively small investments may produce important improvements in the natural environment due to a relatively low level of overall environmental performance.

THEORETICAL FRAMEWORK
The theoretical framework for this article is based on three pillars: The first dimension is related to the general construct of environmental consciousness, the second dimension captures the traditional environmental hierarchy of reducing, reusing, and recycling, and the third dimension comments on the tension or duality between the anthropocentric versus ecocentric world view. We will integrate our empirical results into this three-dimensional framework; however, the theoretical framework is not meant to be a device for classification, but rather a
theoretical basement that serves as a supporting fundament on which emerging themes and topics can be constructed.

ENVIRONMENTAL CONSCIOUSNESS

We define environmental consciousness as a part of the individual belief system able to explain environmentally-conscious behavior (Dembkowski and Hanmer-Lloyd 1994). In order to capture the entire environmental domain, the construct shall include knowledge, attitudes, and behavior (Diamantopoulos et al. 2003). Although the three components of environmental consciousness typically follow a hierarchy, with knowledge conceptualized as a precursor for attitudes, and attitudes an antecedent for behavior (compare, e.g., Kollmuss and Agyeman 2002), we argue that knowledge and attitudes are not always a necessary condition for environmentally-friendly behavior. Rather, environmentally-friendly behavior may also be based on tradition, inertia, or other motives such as economic savings. Emerging economies may pose additional challenges to the traditional knowledge-attitudes-behavior hierarchy. For example, research in mainland China reports positive attitudes towards the natural environment for Chinese consumers, based on the cultural value of living in harmony with nature. However, environmental knowledge and behavior were found to be supported by environmental affect rather than by environmental knowledge (Chan 2001, Chan and Lau 2000). Understanding the dynamic relationships between environmental knowledge, affect, attitudes, and behavior thus seems to be fundamental in order to induce a positive shift in general environmental consciousness in emerging economies.

ENVIRONMENTALLY-FRIENDLY BEHAVIORS: REDUCE, REUSE, RECYCLE

Environmentally-friendly behaviors can be distinguished according to their focus on reducing, reusing, or recycling (Grove et al. 1996). These behaviors constitute concrete, lower-order goals that affect higher-order, abstract goals such as promoting health, avoiding sickness, sustaining life, and providing for future generations (Bagozzi and Dabholkar 1994). Environmental-friendly behaviors follow a hierarchy, with actions focused on the prevention or reduction of negative environmental impacts being more desirable than actions focused on recycling or disposal. This hierarchy constitutes a normative framework in many countries that is implemented on the federal, state, and community level. For example, EU directive 2008/98/EC of the European Parliament and the Council of the European Union stipulates in Chapter 1, Article 4, that “The following waste hierarchy shall apply as a priority order in waste prevention and management legislation and policy: (a) prevention; (b) preparing for re-use; (c) recycling; (d) other recovery, e.g. energy recovery, and (e) disposal” (European Union 2008, p. 10).

ANTHROPOCENTRICISM VERSUS ECOCENTRICISM

Anthropocentrism is based on the paradigm that there is a clear and morally relevant dividing line between human beings and the rest of nature. In this paradigm, human beings are not only superior, but essentially different and alien to nature. Purser, Park, and Montuori (1995) argue that this human-nature dualism is socially constructed, similar to other dualisms such as the oppositions between reason and emotion, mind and body, and masculinity and femininity, and that fundamental changes benefiting the natural environment can only be obtained if the anthropocentric paradigm is replaced by an authentic ecocentric worldview. The authors explain that “ecocentrics seek to effect change at the level of human values, ethics, attitudes, and lifestyles. Ecocentric values are aligned with movements to preserve wilderness areas, protect the integrity of biotic communities, and restore ecosystems to a healthy state of equilibrium” (p. 1069). Ecocentrism thus can be defined as an approach to sustainable living that recognizes nature as central to survival and progress (Iyer 1999). Some preliminary evidence suggests that cultural values influence the dominant paradigm in different countries. For example, in a three-country cross-cultural study, Bechtel, Corral Verdugo and De Queiroz Pinheiro (1999) find American students to be most anthropocentric by assuming a clear nature-culture dualism, followed by Mexicans who took a middle position, whereas Brazilians did not perceive a dichotomy between nature and culture and thus held the most ecocentric position of the three countries.

METHODOLOGY

Following McCracken’s (1988) long interview model, we conducted interviews with fifteen Mexican families of different social classes from the greater regions of Mexico City, Toluca, Guadalajara, and Monterrey (Table 1). Congruent with the qualitative research approach, we used a theoretical, purposive sampling approach (Glaser and Strauss 1967; Lincoln and Guba 1985, Wallendorf and Belk 1989). Whenever possible, we interviewed family members on an individual basis as well as at least one time with the family gathered during a natural family event, such as lunch or dinner. Further, in some instances, families were accompanied when preparing a meal, cleaning their home, or on their shopping trips to local retailers. All interviews were complemented by personal observation at the families’ homes. In order to document real (as opposed to self-reported) ecological behaviors of the families, we took photos that included, e.g., the general appearance of the home, the use of energy-saving light bulbs, the separation of solid waste, and the consumption of water when washing dishes or cleaning the house.


**FINDINGS**

Independently of social class and environmental consciousness, the members from all fifteen families express very strongly that the family is the most important thing in their life. Losing a family member is among the biggest fear all interviewees have. Concerns about health and the environment are more related to family members and the immediate, direct space, and less related to the abstract space of the external and natural environment. With very few exceptions, the anthropocentric worldview persists. Environmentally friendly behavior is perceived as a benefit for future generations, and as such this worldview is centered primarily in the human being. In the remainder of this article, we present some of the important themes that emerged from the analysis of the fifteen cases, organized into four sections: differences in social class, generational differences, habits and modernity, and credibility and consumer confusion.

**Differences In Social Class**

Previous research (Diamantopoulos et al. 2003) has suggested that environmentally friendly behavior is not influenced by social class. The results from our qualitative study clearly confirm these findings: Though not representative, Table 1 suggests that high and low environmental consciousness (including environmentally friendly behaviors) is equally distributed among the social classes. However, higher and lower social classes show different reasons and motivations for their environmental behavior. For the lower classes, environmentally-friendly behavior is clearly driven by cost considerations. Basically all family members from lower social classes are actively recycling paper and PET, and they also try to save electric energy and water. However, these families are frequently unaware of the positive effects of their behaviors, and their main motivation is based on securing an extra income (recycling) or saving money (energy and water). When discussing the benefits of these environmentally friendly behaviors in more detail, we received very vague answers from the lower social classes. Because environmental behaviors are directly related to costs and savings, it is not surprising that the lower classes are not interested in green or ecologically friendly products. If prices for ecological products are higher than for conventional products (and in the perception of our respondents they typically are), they are discarded quickly from the consideration set. We thus confirm Laroche, Bergeron, and Barbaro’s (2001) finding that consumers who recycle are not necessarily the same people who buy environmentally friendly products. This observation makes even more sense in the context of emerging economies, where especially for the lower social

### TABLE 1

<table>
<thead>
<tr>
<th>Family name</th>
<th>Region</th>
<th>Social class</th>
<th>Overall environmental consciousness</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alvarez</td>
<td>Mexico City</td>
<td>LC</td>
<td>Moderate</td>
</tr>
<tr>
<td>Blanco</td>
<td>Mexico City</td>
<td>HC</td>
<td>Low</td>
</tr>
<tr>
<td>Chavez</td>
<td>Mexico City</td>
<td>MC</td>
<td>High</td>
</tr>
<tr>
<td>Delgado</td>
<td>Toluca</td>
<td>LC</td>
<td>Moderate</td>
</tr>
<tr>
<td>Espinoza</td>
<td>Toluca</td>
<td>LC</td>
<td>Low</td>
</tr>
<tr>
<td>Fernandez</td>
<td>Toluca</td>
<td>MC</td>
<td>High</td>
</tr>
<tr>
<td>Gomez</td>
<td>Toluca</td>
<td>HC</td>
<td>Low</td>
</tr>
<tr>
<td>Hernandez</td>
<td>Guadalajara</td>
<td>MC</td>
<td>Moderate</td>
</tr>
<tr>
<td>Iglesias</td>
<td>Guadalajara</td>
<td>HC</td>
<td>High</td>
</tr>
<tr>
<td>Jimenez</td>
<td>Guadalajara</td>
<td>LC</td>
<td>Low</td>
</tr>
<tr>
<td>Lopez</td>
<td>Monterrey</td>
<td>LC</td>
<td>Moderate</td>
</tr>
<tr>
<td>Martinez</td>
<td>Monterrey</td>
<td>HC</td>
<td>Low</td>
</tr>
<tr>
<td>Novo</td>
<td>Monterrey</td>
<td>MC</td>
<td>Low to Moderate</td>
</tr>
<tr>
<td>Ortega</td>
<td>Monterrey</td>
<td>MC</td>
<td>Low</td>
</tr>
<tr>
<td>Perez</td>
<td>Monterrey</td>
<td>LC</td>
<td>Low</td>
</tr>
</tbody>
</table>

*Note: LC = Lower Class, MC = Middle Class, HC = Higher Class*
classes, recycling is a measure of receiving additional income rather than a measure based on a strong environmental consciousness. On the other hand, consumers from higher social classes seem to be influenced by tendencies in developed countries, especially the US and Europe, and they are sometimes aware of environmental practices because they may see it as fashionable to demonstrate environmental friendly attitudes and behaviors, even without being completely convinced about the necessity of saving the planet. Thus, even the higher classes expressed that the benefits of environmentally friendly behaviors are not always clear to them:

People search for incentives, and therefore the benefits of green products have to be explained well. [Maria Martínez, 25, Monterrey, Higher Class]

I had to get interested myself into these products, something that motivates me to go and search for them… about the benefits of taking care of resources. [Gustavo Gomez, 48, Toluca, Higher Class]

**Generational Differences**

Although both older and younger respondents expressed the importance and urgency of protecting the environment more actively in order to save the planet for future generations, we found children to have more environmental knowledge and higher levels of involvement with environmental protection than their parents. They consciously recycle and also demand these recycling practices from adults, thus acting as agents of change. Children seem to acquire environmental knowledge and practices primarily in school, and many parents expressed that it is via their children how they are influenced in environmental attitudes. The more the children are environmentally informed, the more their parents seem to feel that it is the generation of their children that has to bring major shifts in environmentally friendly behavior.

My daughter is who tells me, look at that, or at school they tell her what that to do with the garbage, so she influences a lot with helping me or telling me things one doesn’t know. [Diana Delgado, Mother, Toluca, Lower Class]

Consistent with these findings, adults in our study related environmental protection to a large extent with cleanliness and order. The first associations coming to their minds were usually related with not dumping garbage on the street. For those adults who showed higher levels of environmental consciousness, their motivation to save the planet was related primarily with a concern for the quality of life of their children and, in more general form, future generations. On the other hand, younger generations had a more holistic worldview of the environment and frequently mentioned recycling and similar practices as means to not only provide better living conditions for the family and the neighbors, but for human beings, animals, nature, and the planet in general. The more ecocentric worldview of children is frequently accompanied by a more developed sense of the importance of solidarity, as expressed by 10-year old Carmen:

Well, I think that there is no care in Mexico because they don’t care for the trees, they don’t care if older or younger girls live in a world where they almost can’t breathe… When I walked on the street, I asked my grandma, “Grandma, don’t they have a consciousness about themselves? Don’t they even think in their children, don’t they care? Or be it that they die and live in heaven… They do not care for anything, what does it cost them doing it when it rains, a raindrop among everyone would be more than 1,900 raindrops that could be recycled… [Carmen Chavez, 10, Mexico City, Middle Class]

**Habits And Modernity**

Independently of social class and overall environmental consciousness, all families in our sample use disposable cups and plates for social gatherings. Our interview partners explained to us that disposable dishes are just more convenient because after a long family gathering with many guests, one does not have to wash a considerable amount of plates. Further, disposable dishes have the advantage of avoiding the risk that something will break at the gathering, which would cause a uncomfortable situation for both the guest and the host. However, beneath this obvious layer of tangible, rational arguments, we identified a second layer of traditions and deeply-routed habits that were more difficult to interpret. Family reunions and disposable dishes seem to thrive in a symbiotic coexistence that is never really questioned. As one of our interview partner explained,

It is a routine to buy disposable dishes for gatherings. At the supermarket we don’t search for new products – we buy things on a routine basis. [Martha Martínez, 49, Monterrey, Higher Class]

The use of disposable dishes seems to be a deeply-routed practice even for the most indigent families. For example, we learned that the lower-class Delgado family was saving money whenever they could; however, they still used disposable dishes at family reunions and gatherings. Elements of modernity thus seem to permeate through all social class in Mexico and allow even the lower classes to take a share of the convenience and progress of the developed world. Somehow, the modern world has successfully conquered Mexican habits when it comes to disposable dishes, in some other areas traditional daily routines are maintained by consumers belonging to the bottom of the pyramid. For example, whereas the use of plastic bags given for free at retailers is proliferating, some families from lower classes maintain the practice of bringing their own bag to the store. However, these habits are not so much based on a strong conviction for environmental protection, but rather rooted in heritage and tradition. This is indeed true for several other environmentally practices found at the bottom of the pyramid, such as collecting paper, aluminum, and PET. These behaviors are ingrained in the traditional heritage of savings and frugality rather than based on a strong environmental consciousness.

**Consumer Confusion And Credibility**

We find relatively high levels of consumer confusion among our respondents, and some of them are actually very skeptical about environmental claims. Consumer confusion has been found to be strong for organic products, where many consumers seem to have difficulties with differentiating between organic and conventional food (Chryssochoidis 2000). Our results suggest that these findings hold not only for organic products, but for environmentally friendly products in general. The reasons may lie in a “mindboggling array of choices” (Mitchell and Papavassiliou 1999, p. 322) that frequently include logically contradicting or internally inconsistent messages, such as for green batteries, nonpolluting fuels, or environmentally friendly detergents. However, consistent with Carlson, Grove, and Kangun (1993) and Mendleson and Polonsky (1995), consumers perceive environmental claims not only as confusing, but also as deceptive.
Specifically, consumers seem to perceive that both producers and retailers act towards their individual goals of profit maximization, without a genuine interest in the environment. In this context, the discipline of marketing is actually seen as an evil ally of deceptive companies that act in pure self-interest:

The problem with these [green] companies is that, I am not sure if I should believe them or not. [Martha Martinez, 49, Mother, Monterrey, Higher Class]

Green Products are methods and strategies based on marketing. [Maria Martinez’ boyfriend, Monterrey, Higher Class]

**DISCUSSION: A TRANSITION TO SUSTAINABILITY IN EMERGING ECONOMIES**

By analyzing the data from the fifteen families that formed part of our study, we found many rationally convincing and logically consistent reasons why our respondents did not show higher levels of environmentally friendly behavior. In some instances, especially for lower social classes, the absence of knowledge and education about environmental issues is persistent. Cost is also a problem, especially for the lower classes, and it is evident that a family from the bottom of the pyramid simply cannot afford to buy organic or environmentally friendly products if these are significantly more expensive than their “conventional” counterparts. Consumer confusion and deceptive environmental claims are indeed important inhibitors. Even the more educated respondents in our study expressed major doubts when discussing what environmental products really mean. The government is another issue that merits attention. Most respondents felt that the government should take a more active role when it comes to environmental protection, be it by enforcing environmental regulations more strictly, or be it by providing the necessary infrastructure related to, e.g., public transportation or separating waste.

However, we think that the single-most important reason for the environmental knowledge-attitude-behavior gap is based on a discrepancy between a higher-level, relatively abstract benefit and a specific, very tangible and immediate cost of environmentally-friendly actions. For example, using conventional instead of disposable dishes may reduce convenience, buying green products may be more expensive and generate opportunity costs, and using public transport may be more time consuming. These costs in money, convenience, and time are specific and immediate for the consumer. On the other hand, the benefits of an improved natural environment are abstract and long-term, which explains why consumers struggle with relating their specific environmentally friendly behavior with a tangible, concrete, and thus attractive benefit. In such a situation of a mismatch between environmental costs and benefits, consumers are confronted with a social dilemma, where they choose between either cooperating in order to maximize group benefit or defect for self-interest (Gupta and Odgen 2009). Although the benefit for all members of society would be enhanced if everyone cooperated, individual benefit is actually maximized by defecting (i.e., not conducting environmentally friendly behaviors). It is clear that the attractiveness of defecting is increased when the benefits of cooperating are abstract and postponed to the future. Recognizing the importance of solidarity thus seems to be a necessary condition for conducting environmentally friendly actions that are not based on the main benefit of saving money (such as saving water or energy), and it is encouraging that the younger respondents in our study showed relatively high levels of solidarity, as compared to their parents.

**LIMITATIONS AND FUTURE RESEARCH**

This study is based on a relatively small, qualitative sample of families in an emerging economy. The results thus may not be representative for less developed countries on one hand and for industrialized or high-tech countries on the other hand. In our qualitative analysis, we find that social class is not a very good discriminator for environmental consciousness. However, we find that reasons and motivations for environmentally-friendly behaviors differ substantially for higher and lower social classes. More research is needed in order to verify if the motivators and inhibitors of environmental friendly behavior found in this study hold in a larger, quantitative sample of consumers. Further, future research should explore more thoroughly the relationship between concrete, immediate environmental costs and abstract, long-term environmental benefits. Finally, the role of values and its influence on environmental behaviors should be investigated in the context of emerging and less developed economies.

**REFERENCES**


The Effectiveness of Donation Promises in Charity Auctions as a Cause-Related Marketing Strategy
Leo Wong, University of Alberta, Canada
Peter Popkowski Leszczyc, University of Alberta, Canada*

EXTENDED ABSTRACT
A donation promise is the amount to be donated by the seller as part of a cause-related marketing (CRM) transaction. As CRM campaigns increase in popularity and donation promises serve as a competitive attribute between products, it is important to determine how consumers perceive and respond to varying donation promises. For consumers, their response to these charitable campaigns can potentially be an effective channel for making personal charitable donations. While for businesses, the donation promise levels they choose can lead to CRM campaigns that are either costly or costless (or even profit-maximizing), in addition to other previous acknowledged benefits such as improved reputation and purchase intentions.

In this paper we study the relationship between donation promise and charity auction revenue. In particular, we examine the relationship at low and high donation promise levels, and whether this relationship diminishes as donation promises increase. Furthermore, we are interested in exploring whether consumers ‘overpay’ at low donation promises or ‘underpay’ at high donation promises, or both.

Using charity auctions we can determine consumers’ willingness to pay for different levels of donation promises. Charity auctions were run on a local online auction site with over 6400 registered bidders, selling products that ranged in value from $10 to over $100 and included a range of products from electronics, gift cards, to health and beauty.

Results of two controlled field experiments indicate that higher donation promises lead to increased selling prices, but at a diminishing rate. Furthermore, we examine whether the effect of donation promises is absolute or relative in nature by running charity auctions either independently or in pairs. Relative donation promises, which were two identical auctions (except for their donation promise levels), influenced bidders’ perceptions and selling prices by serving as a comparison frame and contrast to a target donation promise. For example, lower relative donation promises (ex. a 25% auction compared to a 50% auction) resulted in lower selling prices compared to absolute donation promises (ex. a 25% auction independently).

We also examine whether low donation promises might have lead to negative perceptions of one’s CSR commitment, which we did not find any evidence to support. There appears to be little risk in consumers paying less for low donation promises.

Finally, we observe significant overpayments for low to medium levels of donation promises, suggesting that sellers can profit from their charitable associations. When donation promises were low (i.e., 1%), the incremental revenue generated from those charity auctions (compared to a non-charity auction) exceeded the actual donation amount. This effect can even be found for higher donation promises (i.e., 25%) with lower value products but disappears as donation promises and product values increase, which is consistent with the diminishing pattern of charitable returns. Moreover, this shows that bidders are susceptible to an inflated perception of a CRM’s actual charitable contribution and will actually pay more for that product than what their donation amounts to. These findings are consistent with the CRM literature, but extend it to a consequential setting where consumers are actually spending their own money.

Although we used charity auctions as our methodological tool to measure consumer response, our findings could also apply in a fixed-price setting where the differences we found in a consumer’s willingness-to-pay would likely transfer to differences in other constructs like purchase intention or product appeal. Arguably, using charity auctions is a more powerful and direct method to obtain one’s willingness-to-pay, and provides strong support for a similar pattern of results for fixed-price CRM products.

Overall results have important implications for the relative appeal of CRM offerings and suggest that charity auctions are cost-effective as part of a corporate social responsibility strategy. We find evidence in our studies that not only are there potential revenue-increasing opportunities by implementing low to moderate donation promises, but that there is unlikely to be a negative perception from using low donation promises or if bidders were made aware that the seller was profiting from the charity auction.

Future research may consider examining the various social preferences bidders have that influence their bidding decisions, and how auction information affects them differently. For example, prosocial and proself orientations (Messick and McClintock, 1968) suggest different response mechanisms. A similar idea in social psychology is the empathy-helping hypothesis where it has been shown that taking the perspective of the recipient, combined with negative affect can lead to increased donation behavior (Fisher, Vandenbosch and Antia, 2008). In our studies, we manipulated the donation promise, which conveys information about benefits to the recipient but we did not examine the influence of emotional valence. Future research can explore whether positive or negative valence appeals in the auction can lead to higher selling prices. Lastly, the issue of the contextual nature of donation promises can be further explored by making the donation promises from different sellers rather than all from the same seller. In an increasingly saturated marketplace for cause-related marketing choices, the consumer is likely to infer greater positive impressions to a seller who promises to give relatively higher than other sellers, and this effect may be stronger when sellers are different than when they are the same.

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ROUNDTABLE SESSION: Social Media in Asia
Nikhilesh Dholakia, University of Rhode Island, USA
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Man Zhang, University of Rhode Island, USA
Xiucheng Fan, Fudan University, China
Ting Ting Zhao, Fudan University, China

JULIANNE CABUSAS: PATTERNS OF SOCIAL MEDIA GROWTH IN THE PHILIPPINES
This short presentation traces the patterns of growth of social media in the Philippines in the Web2.0 era.

NIKHILESH DHOLAKIA: ASIA’S SOCIAL MEDIA – THE OTHER BEHEMOTH
These are stage-setting remarks by the organizer of this Roundtable. Facebook, the main global social media platform, has got enormous attention because of its rapid climb in membership, estimated at around 600 million by January 2011. In parts of Asia, however, social media platforms other than Facebook also have enormous reach and impact.

This opening short presentation will lay out the landscape (more accurately, the cyberscape) of Asia’s social media, in relation to the western (global) social media. This presentation will also outline some of the unique (from western perspective) aspects of Asia’s social media.

Ruby Roy Dholakia: Shoestring Social Media in a Multilingual Nation – Some Patterns from India
While Internet use in general and social media use in particular are at lower levels in India compared to leading Asian nations such as China, Japan, and Indonesia; the future patterns of social media in India would have massive impacts – in India as well as in other emerging markets. There are several reasons for this: (a) India has been adding 15 million mobile users a month in recent periods, and many of these users have data-capable devices; (b) India’s mobile services and operators offer some of the most cost-effective service plans, and are creating models of “shoestring” priced services – including social media content services; (c) Even though India is often seen as an “English speaking nation”, less than 100 million of its nearly 1.2 billion people can communicate in English. There are, however, fast-rising opportunities for mobile and social media content in over 15 Indian languages. India thus provides a model for multilingual social media platforms; (d) Some Indian entrepreneurs have started taking advantages of these unique aspects of India to create new social media products – especially niche interest social media; (e) India was an early success for Google’s Orkut, but is currently seeing big rises in Facebook usage. India thus provides a good prototype setting to understand major technology rivalries such as between Google, Facebook and Apple. This presentation will provide insights on these and additional trends that are shaping social media in India.

CHRISTINA RAHARDJA HONANTHA: RISE OF INDONESIA AS THE NO. 2 FACEBOOK NATION
In late 2010, Indonesia surpassed the United Kingdom to become the second largest Facebook using nation, next only to the United States. This short presentation outlines the factors that have made Indonesians avid users of social media, in particular Facebook.

ALIAKBAR JAFARI AND BABAK TAHERI: TRANSFORMATIVE SOCIAL MEDIA - AN IRANIAN VERSION
In this presentation we focus on the transformative role of social media in young Iranians’ lives, particularly those from middle class backgrounds in urban spaces in a country more than 70 percent of whose population is under the age of 35. Like their counterparts in other countries, this highly educated and young population aspires to participate in global activities of citizenship, cultural exchange, consumption culture, and socio-economic development. Yet, as a result of the country’s current political and economic situation, young Iranians are not able to fully experience global citizenship (Jafari and Goulding 2010). For example, for political and cultural (protection) reasons, the government strictly monitors communications media, particularly the Internet. Despite this, recently the application of social media in the country has tremendously increased. Although popular websites such as Facebook, Twitter, and Youtube are censored, Iranians use anti-proxy software to access these websites (Shirazi 2009). Through ‘mediascapes’ (Appadurai 1990), young Iranians try to engage with the external world and practice global citizenship in the virtual world. Our netnographic observations indicate that whilst many people use social media (e.g., Facebook, Twitter) as a platform for different types of self-expression (e.g., ideological, literary, artistic), many others rely on social media to stay in touch with those who have left them behind and migrated from the country. For these people, social media go beyond simply connecting friends; they act as a significant ‘bridge of hope’ between insiders and outsiders. In either case, for young Iranians, social media is a transformative means of trespassing physical borders and presence in global arenas. Social media compensate for the lack of other resources (e.g., economic, socio-cultural, political) that young people need in order to organize their lives. In the end we call for further research into transformative role of social media in peoples’ lives.
PIA POLSA, FAN XIUCHENG, TING TING ZHAO: PRODUCT RECALL IN SOCIAL MEDIA – SANLU MELAMINE CONTAMINATION, IN THE PEOPLE’S REPUBLIC OF CHINA

Literature on the role of social media in situations of product recall is scarce. This is particularly the case in emerging markets and particularly in the People’s Republic of China (PRC). This presentation will demonstrate the role of social media in product recall in emerging markets and how social media may change the power relationships in a network of companies, consumers and governments. The investigates the case of Sanlu Melamine Contamination, in the People’s Republic of China and how social media in China played a significant role in reclaiming rights of the consumers. Our results indicate that – with the help of social media – consumers could recall products and consumers gained some compensation from the manufacturing company. Because of social media, the voices of consumers reached the higher governmental units (the central government) that directed its power towards the company making the contaminated milk. Social media made it possible for the consumers to bypass the lower levels of societal units like manufacturers, resellers, lower governmental bureaus and get their voice heard through – in the top echelons of the central government.

MAN ZHANG: ENGAGING CHINESE CONSUMERS IN WEB2.0 ERA

The latest figure (source CNNIC) shows that China's Internet population rose to 457 million in 2011, a massive increase of 73 million from last year. In 2010, the largest social network site Qzone alone had over 305 million active user accounts. All these numbers indicate the great potential of social media growth in China in Web2.0 era. Internet and social media have led to at least four transformations of today’s Chinese society: (1) media convergence, (2) mediated identities, (3) redefinitions of social boundaries, and (4) transcendence of geographical boundaries. Each of these intertwined unique Chinese economic, cultural, and political contexts has direct impacts on the digital marketing in China. This presentation will discuss the distinguish aspects of China social media and their impacts on marketing practice in China.
ROUNDTABLE SESSION
About China—Who are Chinese Consumers? What is and is not Chinese consumption?
Yu Chen, Northeastern Illinois University, U.S.
Russell Belk, York University, Canada
Yu Chen, Northeastern Illinois University, U.S.
Dhar Ravi, Yale University, USA
Jianfeng Jiang, Northeastern Illinois University, U.S.
David Tse, University of Hong Kong, Hongkong, China
Xin Zhao, University of Hawaii, USA
Kineta Hung, Hong Kong University

There is a widespread use of non-Chinese images in advertising in China’s marketplace. This has been taken by many people to mean that Chinese culture is becoming globalized and that consumption values and behavior are changing accordingly (Zhou and Belk, 2004). Who are Chinese consumers? What is and is not Chinese consumption? Different perspectives are necessary to answer this complicated question. Experts from all over the world will decipher the Chinese consumers from different perspectives: culture (Zhou, Belk), art (Chen), advertising (Zhao), market structure (Tse, Jiang), information processing (Jiang), and consumer choices (Dhar).
EXTENDED ABSTRACT

This description of the evolution of data collection methods highlights the potential value of augmenting traditional methods with innovative, interpretivist approaches. Our research considers the importance of social networks in consumer decision making and problems associated with researching them. Traditionally research that articulates and analyses networks has tended to be survey-based and highly quantitative. Such methods are shown to be ineffective in focus groups. Described is the development of methods which increase the recall of names of network participants and when combined with new methods for the informant’s participation in the visualization of their network improve information quality.

BACKGROUND

This work proposes a new method for researching consumer social networks, i.e. those including family, friends, and close associates (Zofi and Meltzer, 2010) and the influence they have in the choosing and using of products and services.

Social psychology has long recognized the value of social relationships - we are inherently social beings (Asch, 1952) and are influenced by our personal connections (Katz and Lazarsfeld, 1955). Our social network can be envisaged as a collection of linked social relationships. This network in which our social relationships reside also influences our participation in the world. They offer, amongst other social benefits, help and support (Zofi and Meltzer, 2010) and can also provide economic benefits such as increased access to knowledge (Anderson, 2008; Krackhardt and Hanson, 1993).

Social network research seeks to understand the role and influence of interpersonal relations in group contexts. While not widely studied in marketing, the structure and nature of social networks have been subject of both empirical and theoretical study in the social sciences for over 50 years (Wasserman and Faust, 2005; Freeman, 2004). There is considerable empirical work using Social Network Analysis (SNA) to consider the networks in terms of who interacts with whom and the nature of the connections between individuals (Adar and Re, 2007).

The large majority of this work is quantitative. Our literature review indicates a growing focus on standardized and often computer-aided data collection and quantitatively-oriented interpretation techniques (e.g. Robins et al., 2007; Snijders, 2011). This research instead uses an emergent, interpretive process of social network data collection and analysis. To some extent this returns to the foundation work in SNA, which used ethnography and partially analysed the resulting information interpretively (Brieger et al., 1975).

RESEARCH DESIGN ISSUES

This research considers the formation and evolution of social responsibility and associated purchasing and the way that social forces and in particular social networks influence this process. Ten focus groups (n=82) conducted in Australia were designed to produce a culturally diverse, cross demographic, cross lifestyle sample of participants. Groups had a fairly equal gender mix, were differentiated by age and were drawn from different socio-demographic and geographic contexts.

A variety of methods were used to gather information on participants’ social networks with the methods used evolving substantially through the data collection process. It was anticipated that social network influences would emerge in focus groups (Angus-Leppan et al., 2004). This was to be supplemented by a tabular-form instrument (e.g. Watts 2004) providing information about structural properties and influence patterns. The aim was to use the two kinds of data as independent points of validation - to identify “important others” and measure their influencing role (Marsden, 1987) and compare to this reflections about networks. However this was not possible because neither approach was effective.

No reference as to the collection of personal network data in a focus group context could be found in the literature; however our experience indicates that this context presents particular problems. Traditional approaches, which generate single names and then ask for details about each (Roberts et al., 2009) were unsuccessful in getting participants to articulate their social networks beyond a minimal level; few went beyond identifying those who they saw on a regular basis, nor did discussion of networks and their role emerge naturally in the groups and even minimal discussion of networks required considerable intervention. As the purpose of the research in this case was to understand the nature of these social networks and their influence other approaches were explored.

In line with recent literature, (Strait, 2000; Marsden, 2003 and Marin and Hampton, 2007) multiple name generator questions such as “Who provides information about [a particular purchasing] situation?” proved effective when used in conjunction with numerous invitations to the participants to add names to the data collection document at any time.

The evolution of the questioning approach was accompanied by changes to the data generation process. Few academic researchers appear to have used visually-oriented techniques (Hogan et al, 2007) even though the effectiveness of visualization has been lauded “Images evoke deeper elements of human consciousness than do words… (it is) an interview process that provides a different kind of information” (Harper, 2002 p.13). Through several iterations a visualization tool was developed. In addition to facilitating the generation of network members’ names this allowed informants to “see” their network conceptualization, which as a result acquired depth and meaning for them. As they articulated and assigned roles to those in the network, adding network linkages and assessing the nature and quality of their participation in purchasing decisions, particularly socially responsible purchases, participants’ connection to the process grew. Overall this combination of approaches generated a more extensive and meaningful list of members of participants’ network. It also generated more comprehensive and natural discussion of networks and their role.
Analysis of the resulting network descriptions has thus far focused on a case-by-case description and interpretation of these visualizations, including some preliminary matching of these to informants’ discourse about the way their network guides and directs purchasing. Further analysis will consider the drivers of network use for purchasing, including looking at the impacts of and interactions between culture, demographics and lifestyle and the interpretation of the deeper processes that this matching of network visualization and informant discourse reveals.

**CONCLUSION**

This description of the evolution of data collection methods highlights the value of augmenting traditional methods with innovative, interpretivist approaches (Cova and Elliott, 2008; Szmigin and Foxall, 2000). Such approaches increase possibilities for reflexivity (Thompson, 2002), creativity and visualisation (Hogan et al, 2007) such that socio-historic patterning (Arnould and Thompson, 2005) and interaction effects can be captured. For realising insights about the nature and role of social networks this proved invaluable. The self-reflection facilitated resulted in rich information capture, a thick description (Geertz, 1973) and in turn more meaningful explanatory results of the deep processes that characterise high-involvement consumer behaviours such as responsible purchasing.

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Effects of Brand Personality and Response to Consumer Criticism in Social Media

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EXTENDED ABSTRACT

Social Media has been changing the power balance between manufacturers/retailers and consumers (Kucuk and Krishnamurthy 2007). Consumers are now creating new meanings and values about products and brands in social media that are beyond the control of companies. Consumer criticism of companies and their brands are prevalent. How companies react to these incidents and criticism is crucial in building and maintaining a good product, corporate brand name, and relationships with their customers. Should brands admit their defects? Should they apologize? Or should they be defensive? Will admitting the problems tarnish consumer perceptions of brands’ quality? These are the key questions we investigate in this research. We propose that a vulnerable response (i.e., admitting mistakes, apologizing) is perceived as more appropriate and leads to more positive behavioral consequences. Further, this effect is moderated by brand personality and existing brand relationship strength.

RESPONSE TO CONSUMER CRITICISM: DEFENSIVE OR VULNERABLE?

Vulnerability is defined as being open to attack or damage (Merriam-Webster dictionary online). It means to have one’s guard down, to be open to censure or criticism. Psychology and social relationship literature suggests that vulnerability is crucial in relationship building. A willingness to be vulnerable is a significant feature of lasting relationships (Bowlby 1983). People seeking to build trust must be willing to make themselves vulnerable for trust to be operational. By doing so, they take the risk of losing something important to them and rely on the trustees not to exploit their vulnerability. Therefore, we expect consumers to perceive brands that allow themselves to be vulnerable by accepting criticism as more sincere than those brands that are defensive. In terms of behavioral consequences, we predict that compared to defensive response, vulnerable response will lead to higher satisfaction, purchase intention, and intention to recommend. And we expect these effects to be mediated by the perceived appropriateness of the response. In addition, we expect that being vulnerable and admitting and accepting one’s imperfection will not sacrifice the consumers’ perception of brand quality.

MODERATING ROLE OF BRAND PERSONALITY AND RELATIONSHIP STRENGTH

Just as we expect people with different personalities to react in different ways, consumers also judge brands’ response to criticism based on brand personality. Brand personality is defined as the set of human characteristics associated with a brand (Aaker 1997). We expect that brand personality would moderate the effect of brands’ response to criticism. Consumers expect brands to respond to criticisms in ways that are consistent with their personalities. In a similar vein, while sincere brands are expected to respond with vulnerability to demonstrate their sincerity, being vulnerable has a larger impact on perceived sincerity for sophisticated brands. Finally, we expect consumers’ existing relationship with the brand to act as a shield for the criticism as well as to what might be considered an inappropriate response by the brand to the criticism.

EMPIRICAL STUDIES

We conducted two studies to examine consumers’ attitudes and behavioral responses to companies’ reactions to criticisms in social media. The first study used the Domino Pizza’s “Turn Around” campaign as the context. Domino launched the “Turn Around” campaign in December 2009 with TV ads as well as a YouTube video. In the video, Domino showed consumers’ criticism of their pizza, acknowledged the defects, and promised improvements with new materials and recipes. We recruited 51 students to watch the video on YouTube and followed up with a questionnaire. Results showed that the video led to more positive attitude change, especially among light users and users who formerly perceived Domino Pizza’s quality as low. In addition, participants indicated that they perceive Domino’s response to criticism as sincere, honest, and open.

Next, we conducted a 2x2 experiment manipulating brand (Dunkin Donuts vs. Starbucks, to inject variances to brand personality) and response to consumer criticism (vulnerable vs. defensive). Participants were given a scenario describing the criticism and the company’s response. After reading the scenario, participants answered questions regarding their perceptions with the response (i.e., perceived sincerity, respect, and appropriateness) and attitudinal/behavioral intentions (i.e., satisfaction, purchase intention, and intention to recommend).

Results showed that a vulnerable response was perceived as more appropriate than a defensive response. A vulnerable response leads to higher perceived sincerity and more respect to the consumers than a defensive response, especially for a more sophisticated brand. On the other hand, a defensive response is perceived as more appropriate for brands that are perceived as “perfect”. A strong existing relationship led higher perceived appropriateness when a brand reacted defensively. A vulnerable response leads to higher satisfaction, purchase intention, and intention to recommend. These effects are mediated by the perceived appropriateness of the response.

CONCLUSION

Communication and information have been fundamental sources of power and social change. It is scary and difficult for companies to admit that consumers are taking power and companies can lose control of their brand images. However, the changes also offer companies an opportunity to humanize their brands and forge deeper consumer-brand relationships. Interacting with consumers in an honest and humble way that conforms to the norms of social networks and is consistent with the brand’s personality will make the brand closer to its customers and turn disgruntled customers into advocates. This research contributes to our theoretical understanding of consumer-brand relationship building by focusing on the concept of vulnerability. It also advances our empirical knowledge of the effects of a company’s response to consumer criticism as well as the moderating role of brand personality in the context of social media.
Effects of Brand Personality and Response to Consumer Criticism in Social Media

REFERENCE
An Overview of Postmodern Research In The Consumer Behaviour Field: Towards The “New Consumer” Paradigm

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ABSTRACT

The objective of this paper is to provide an overview of research based on the Consumer Culture Theory (CCT) that will be basis to understand the new forms of consumption experiences. This will provide a conceptual framework to define the new status of the consumer in marketing literature and therefore understand the paradigm of the “new consumer”. Indeed, the recent studies in the consumption field underline the evolution of consumer representations in the consumer behaviour literature since the consolidation of the multidisciplinary approach based on CCT philosophy. This article reviews the extensive, multidisciplinary body of French and international literature relating to consumer behaviour studies. The key outputs of this paper showed that the main behaviours of the “new consumer” might be defined according to different categories such as: experiential and hedonistic behaviour, digital and competent behaviour, paradoxical behaviour, responsible and ethical behaviour, co-production and participative behaviour, empowerment, do-it-yourself behaviour. These concepts mainly derived from the CCT philosophy highlight the transformation of the consumer role: from passive to an increasingly active role within his consumption experiences.

INTRODUCTION

The postmodern paradigm based on a cultural and a symbolic perspective in marketing and consumer behaviour research emerges from the criticism of the utilitarian logic. This logic has prevailed in the research community in marketing and thus led researchers to view the consumer as an individual essentially rational; an idea that fits with the “homo economicus” philosophy. As shown by Bergadà (2006), researchers engaged in this path consider that the role of marketing in the contemporary society has an ultimate aim to establish social bonds, which requires the mobilization of a cultural base and a specific set of values. In order to go beyond the dominant utilitarian logic so far utilized in the consumer behaviour research, the Consumer Culture Theory (CCT) established by Arnould and Thompson since 2005 is presented as a new revolution in the field of consumer representations in the consumer behaviour literature since the consolidation of the multidisciplinary approach based on CCT. This article reviews the extensive, multidisciplinary body of the literature related to consumer behaviour studies. It draws upon this diversity of research to show the scope of this fascinating area and to identify areas of commonality within and between different research studies.

The first part of this paper attempts to follow the evolution of the CCT paradigm in marketing and consumer behaviour literature. After recalling the limits of the cognitive and the procedural approach in the consumption field and the contribution of French researchers to the CCT, we will highlight the importance of using CCT to understand consumer behaviours by taking into account the cultural, experiential and symbolic aspects of his consumption practices. The second part will present the evolution of consumer representations in the marketing literature and the emerging paradigm of the “new consumer”. Indeed, understanding the consumer representations is a key factor in this research for three reasons. From the theoretical perspective, it enriches our knowledge of: the consumption practices, the competencies developed by the consumer and the meanings attributed to consumption items and experiences.

AN OVERVIEW OF RESEARCH ON THE CONSUMER CULTURE APPROACH: TOWARDS A FRENCH CONTRIBUTION

The reflection on the CCT paradigm requires a deepening, with emphasis on its origins, its mobilization in the marketing literature, its contributions to the consumer behaviour studies and the reasons of a marketing concept based on the cultural and symbolic dimensions to understand the new forms of consumption. Indeed, a set of research in marketing and consumer behaviour has followed an evolution marked by interrogations regarding theoretical, methodological, epistemological and managerial aspects. The CCT concept has then contributed to the enrichment of the research methodologies and helped researchers to overcome the rational approaches in consumer behaviour studies. From a methodological point-of-view, the CCT focuses on the interpretative approaches that give a central place to the individual’s experience. The consumption of each cultural group is then deeply studied and analysed according to the symbolic aspect and the meaning emerging within his consumption experiences. From a theoretical point-of-view, new marketing concepts have emerged with the changing of the consumer status in the postmodern context. This change highlights the shift of power from sellers to buyers and thus the coming out of the “new consumer”.

The objective of this paper is to provide an overview of the research based on the Consumer Culture Theory (CCT) that will help us to understand the new forms of consumption experiences. This will provide us with a conceptual framework to define the new status of the consumer in the marketing literature and therefore understand the paradigm of the “new consumer”. Indeed, we can notice in the recent research field the evolution of consumer representations in the consumer behaviour literature since the consolidation of the multidisciplinary approach based on CCT. This article reviews the extensive, multidisciplinary body of the literature related to consumer behaviour studies. It draws upon this diversity of research to show the scope of this fascinating area and to identify areas of commonality within and between different research studies.

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Volume 9 © 2011
Each cultural group is then studied in relation to the meanings it provides to his consumption practices and the symbolic dimensions he expects within his experiences.

We can find this kind of research in the works of some French sociologists in particular those of Baudrillard (1970), Bourdieu (1980) and De Certeau (1990), which are partly responsible of the emergence of the cultural and the symbolic approach in the consumption field. Thus, adopting a cultural consumption posture through the CCT, allows researchers to rethink the act of consumption as a consumer or a group participation in the identity construction process. A logic far overshadowed by French marketing researchers who privileged the cognitive paradigm. Surprisingly, while the works of French sociologists are increasingly used abroad (Arnould and Thompson, 2005), they remain underused by the French marketing researchers, except some researchers such as Badot (2005), Hetzel (2002), Bergadaà (2006), Marion (2003), Roux (2004; 2005), Toulouse-Ozçaglar and Cova (2008). In contrast, Anglo-Saxon marketing researchers especially American researchers seized the contributions of the French sociology to integrate it with their marketing research, and create a new approach in order to have a rich and thorough understanding of the consumer behaviour. Interestingly, the use of Bourdieu's work is already present in the precursors articles of Holbrook and Hirschman (1982) on the consumer experience and McCracken (1986) on the meaning of the act of consumption.

The discussion of Bourdieu's contributions to management sciences was particularly intense during the 1990s, resulting in a proliferation of research in marketing (Firat and Venkatesh, 1995; Holbrook, 1999; Holt, 1995; 1997). This idea, the concept of active and subjective consumer. Besides this current of CCT, the research in management sciences was particularly intense during the 1990s, resulting in a proliferation of research in marketing (Firat and Venkatesh, 1995; Holbrook, 1999; Holt, 1995; 1997). This thinking opened up a gap to lay the foundations for a critical approach in marketing, which the concern would not be to generate knowledge for marketing, but to create the knowledge of marketing and its effects. Using these references, French researchers in the field of marketing and consumer behaviour have recently made some French contributions to the CCT. An article of Ozçağlar-Toulouse and Cova published in 2008 reported a contribution to the Consumer Culture Theory through a chronological study of its history and the key concepts related to this current.

Other French authors such as Badot (2005), Hetzel (2002), Filser, (1996), Bergadà (2006), Marion (2003), have conducted studies in marketing directly or indirectly related to the CCT paradigm. However, the works that are explicitly linked to the consumer culture theory and emphasize the French contribution to the works of Arnould and Thompson (2005) in the consumption field remain very limited. Özçağlar-Toulouse and Cova (2008) have thus the advantage of providing a major contribution through the presentation of a chronological overview of the main French research linked to the CCT paradigm. In their paper published in a marketing French leading journal (Recherche et Applications Marketing) titled “French contribution to the CCT: history and key concepts”, the authors focused on the construction and the dissemination of certain key concepts or ideas that have emerged over time. This article was the first to have reviewed the main French research within the CCT. Indeed, it is a crucial reference for newcomers researchers and future researchers in marketing who deal with the CCT in their research on consumption in the French context. In their paper, Özçağlar-Toulouse and Cova have brought up together a variety of French research that is directly or indirectly related to the CCT movement. To do so, their work required the implementation of a comprehensive and an exhaustive research methodology based on the work of the French sociologist Cochoy (1999) who wrote a book on the history of marketing.

Starting from the definition of Belk and Sherry (2007, p. xiii) in the first conference dedicated to the CCT: “CCT is an interdisciplinary field encompassing macro approaches, interpretive and critical perspectives of the consumer behaviour”, the two authors presented the view of the French period from 1985 to 2005. Their methodology was mainly based on systematic analysis of articles published in French and Anglo-Saxon scientific journals in the marketing field, in addition of books and theses in marketing supplemented by Belgian and Canadian authors. Thus, the main contribution of their paper is to provide consumer behaviour researchers with a chronological history of the CCT in the French Marketing community defined according to three periods: the underground period (1985-1994), the legitimate period (1995-2000) and the consolidation period (since 2000).

From 2005 and until nowadays, a number of articles inspired by the CCT have been published by researchers mainly Anglo-Saxon. Therefore, new marketing concepts have emerged with the coming out of a “new consumer” hedonistic and experiential (Hetzel, 2002; Cova and Cova, 2004), digital and competent (Batat, 2008), paradoxical (Decrop, 2008), engaged and ethical (Özçağlar-Toulouse, 2005, 2009) co-producer (Lusch and Vergo, 2004; Bonnemaizon and Batat, 2010a), resistant (Roux, 2007), Empowered (Denegri-Knott et al. 2006), handyman (Hetzel, 1996; Marion, 2003) ...etc. This consumer transformation has been emphasized by the consumer culture philosophy that has opened a gap to lay the foundations for a critical approach in marketing, which points out the importance of the symbolic, the cultural and the experiential aspect of the act of consumption.

The Evolution Of Consumer Representations In The Marketing Literature: Towards A Paradigm Of The “New Consumer”?

Since the consolidation of the multidisciplinary current of CCT, the research in marketing and especially in the consumer behaviour field have taken a major sociocultural, symbolic and experiential turn, which requires a new analytical approach. The starting point of the first reflections is none other than the consumer, who has changed status and even multiplied his functions and roles in relation to the meanings he attributes to his consumption. In the marketing literature, the CCT researchers highlighted the concept of active and subjective consumer. Besides this idea, the concept of the “new consumer” is now considered as a topic of research in marketing to better understand the consumer behaviour, the characteristics of his consumption and meanings of his consumption experiences.

Through a review of marketing literature, five dimensions have been identified in order to clarify this new concept related to CCT paradigm. Therefore, the main features describing the “new consumer” behaviour might be classified according to the following aspects: experiential and hedonistic, responsible and ethical, postmodern and paradoxical, appropriation and re-appropriation, resistance and empowerment, co-production and participation.

A “New Consumer”: Experiential And Hedonistic

Since the 1960s, the consumption field has gradually disengaged from an utilitarian vision, based on the value
usage. Baudrillard (1970) highlighted the fact that consumption has become, in the 70s, an activity of production of meanings and a field of symbolic exchanges: consumers do not consume the products, but rather, the meaning of these products and the image they convey. According to Baudrillard, “consumption is neither a material practice, nor a phenomenology of abundance, it is not defined by the food we digest, or by the clothes one puts on, but by organizing the whole elements within a meaningful substance” (1970, p. 32). The 1980s saw the aestheticism of everyday life and its corollary, hedonism, infiltrates the field of consumer research in marketing (Lipovetsky, 2003). The consumer is then progressively seen as an emotional individual seeking for sensitive experiences (Maffesoli, 1990) provided by his interaction with products and services of the consumption system.

There is thus incorporation of meanings under the form of experiences. In this sense, Holbrook and Hirschman (1982) theorized the consumer experience as a subjective and personal experience, often emotionally charged. Furthermore, the notion of experience constitutes a kind of cornerstone of the Consumer Culture Theory of Arnould and Thompson (2005). Indeed, emotion and subjectivity can be found at the heart of the differentiation of consumption experiences lived by the consumer. Therefore, the experiential dimension might supplement or exceed the traditional analytical framework, which suggests the rationality of the individual and his consumption. This led researchers in the consumer behaviour field (Bourgeon and Filsier, 1995) to replace the functional and the utilitarian view of consumption by the so-called experiential view that gives a huge place to hedonistic values and subactivity. Thus, in a large number of the activities he pursues, the “new consumer” seeks less to maximize profit and claim a hedonistic gratification in a social context. Indeed, Consumption causing sensations and emotions, instead of just responding to needs, is an integral part of the consumer's quest for identity (Badot and Cova, 2003).

It is no longer just “shopping” but “experiencing” and usually experiences called "embedded" because they appeal to every sense of the individual (Addis and Holbrook, 2001). Vezina (1999) shows that the consumer experience, “is no longer limited to a few pre-purchase activities (needs, information seeking, evaluation, etc…) nor even a few post-purchase activities such as evaluation and satisfaction, but encompasses a range of other activities that will influence the future decisions and actions of the consumer” (1999, p 56).

Moreover, if leisure and non-ordinary activities, which are emotional and memorable have been the privileged topics in the experiential consumption area, it seems that the explosion of the subjectivity is widespread in the Western societies and therefore there is “an extension of the domain of experience” to all consumption activities. Experience has also become the main basis of the "experience economy" (Pine and Gilmore, 1999) enhanced by the development of an experiential marketing (Schmitt, 1999; Hetzel, 2002), which tends to provide consumers with immersions in extraordinary experiences rather than simply purchasing products or services.

This marketing is then supposed to fit with the experiential needs of the new consumer who is perceived as an emotional individual seeking for sensitive experiences (Maffesoli, 1990). Therefore, authors emphasize the increasing quest for experiences where the consumer can immerse himself and explore a multiplicity of new meanings to his life (Firat and Dholakia, 1998). Thus, it is the full immersion in an original experience that provides a unique and unforgettable pleasure to the consumer (Caru and Cova, 2006).

In the experiential perspective, the consumer is not a passive actor who responds to stimuli, but an active actor and a producer of his own consumption experiences. Therefore, companies need to assist their customers in the production and the achievement of their experiences. In this sense, it seems that the experiential marketing overcomes the simple idea of production (Caru and Cova, 2006). In the experiential marketing logic (Hetzel, 2002; Schmitt, 1999), the experience is the fourth category of the company’s offer after goods, products and services adapted to the consumer needs. Thus, the consumer experience is a common value shared between the producer and the consumer. Reinstituting the idea of immersion (Firat and Dholakia, 1998), the experiential marketing suggests considering consumption as a set of extraordinary immersions for the consumer. In doing so, the experiential marketing takes up the work of the psychologist Csikszentmihalyi (1997) on the flow experience, which means a special moment during which what the individual feels, wants and thinks are in total harmony (Csikszentmihalyi, 1997).

However, while research in consumer behaviour (Arnould and Thompson, 2005) has conceptualized the experience as a subjective episode in the construction and the transformation of the individual, with an emphasis on emotional and sensitive dimensions rather than the cognitive ones; the experiential marketing has given the experience a much more pragmatic and simplistic definition (an offer scheduled and marketed by the company). This has emphasized the idea that the result would be something highly meaningful and memorable for the consumer. It seems for us essential to go beyond the view of the experience as totally dependent on the market offers as defined in the experiential marketing perspective. Indeed, the sociology of consumption (Edgell et al. 1997) has identified four types of consumer experience: family experience by kinship, friendship experience by reciprocity with the community, citizen experience with the state, and consumer experience by exchange with the marketplace. This allows us to understand that the everyday individual’s consumption is made up of consumption experiences in relation or not with the marketplace.

Therefore, the consumption experience is not necessarily related to the exchange with the marketplace (Caru and Cova, 2006). For Caru and Cova, the experience of having a meal with friends is a kind of consumption experience that marketers can’t control, although some products from the market may be consumed. Similarly the consumption experience of a self-produced festival (Badot and Cova, 1995) is not manageable by professionals. The sociologists underline the fact that the social context shapes the experience (Edgell et al. 1997) and the experiential marketing biases the view of the experience because it only focused on one social context ‘the market’ in which the individual is a consumer who lives experiences related to suppliers and other consumers. Thus, by taking into account the experiential and the hedonistic aspects of the consumption experience we can highlight the salient features of the new consumer behaviours as follows: The consumer is not a consumer, the consumer is operating within situations, the consumer is searching for meaning and for this new consumer consumption is not limited to the purchase process.
A “New Consumer” Responsible And Ethical: The Value System At The Heart Of The Consumption Experience

The new consumer is very critical towards marketing and particularly advertising. He expresses a responsible behaviour and engages himself within his consumption practices. Consumer behaviour researchers who apply the CCT paradigm have studied consumer ideology and criticism of marketing. In their work, Remy (2004) and Özçaglar-Toulouse (2005) highlighted the multiplicity of the representations related to the responsible consumption while exploring the meaning that the consumer gives to this kind of consumption. The responsible consumption that gives an ethical meaning and a social utility to the act of purchase, allows the consumer to develop a thoughtful approach to his consumption.

In the marketing literature, a number of concepts such as green consumer and prosumer (Özçaglar-Toulouse, 2005) derived from the CCT paradigm are used by researchers to point out the responsible and the eco-friendly behaviour of today’s consumers. Therefore, the new consumer can no longer be passive within his consumption; it is indeed his system of values and his determination that regulates his consumption (Özçaglar-Toulouse and Cova, 2008). This kind of responsible consumption reflects the fact that the consumer who becomes aware of his economic power, decides to behave according to his own value system. His main ideology is to consume and purchase consumption items only if it is really necessary. Thus, a number of movements based on the CCT philosophy have been developed around the concept of the responsible consumer.

In the research focusing on the consumer responsibility towards the environment, marketing researchers have highlighted the profile of the “eco-consumer” who thinks in terms of the social and the environmental consequences of his act of consumption. In order to behave responsibly, this consumer incorporates fair-trade goods within his consumption. The reasons that justify the motivation of the consumer to be responsible might be: “product safety, environmental impact, employees welfare…etc” (Crané, 2001, p.361). These reasons are all conscious or unconscious ways to reveal the face of political goods (Chessel and Cochoy, 2004) and build an ethic of consumption (Smith, 1990). The responsible consumption can’t be addressed through a traditional approach of marketing; it is indeed a complex phenomenon (Shaw and Clarke, 1999) characterized by a large divergence in consumer practices (Cooper-Martin and Holbrook, 1993).

In the management science disciplines, researchers explain the concept of responsibility through two postures involving two market actors: the responsibility of the consumer and the company responsibility called Corporate Social Responsibility CSR (Gillet and Batat, 2010). Regarding the first posture, the responsible consumer chooses to take the responsibility of his act of consumption and makes it “fair” (Özçaglar-Toulouse, 2005). The notion of “fairness” is at the heart of the consumer concern who wants to be fair vis-à-vis the producers through his purchases and vis-à-vis the environment through his consumption. This “fairness” refers to equality and justice of law. Indeed, through his responsible behaviour, the consumer displays his citizenship (Dickinson and Carsky, 2005) and decides to play his role of a responsible citizen in the sphere of his consumption experiences.

The second posture reflects the responsibility from a managerial perspective because the professionals are concerned by the responsible consumption and must adapt their offers by implementing sustainable strategic devices. In the management science, companies have always listened to the market and particularly to the consumer expectations, as written by Gavard-Perret: “nothing can be done without the confidence of the customer and without taking into account his high expectations for ethics, transparency and consumerist attitudes” (Gavard-Perret, 2000, p.16). The incorporation by professionals of values such as responsibility and ethic that claims the new consumer has initiated a change in the way of production and commerce (charters prohibit child labour, decent working conditions, respect of the environment, etc…).

The Postmodern Paradigm: A Theoretical Framework To Understand The Paradoxical Behaviour Of The “New Consumer”

In order to understand the foundations, the origins and the implications of the postmodernism in the field of marketing and consumption, we should first locate it into a temporal dimension by selecting the modern era as a starting point. The modernity can be understood according to two dimensions: economical and cultural. These dimensions reflect the industrialization era where cultural creations are governed by rules established by tradition. Thus, modernity as defined by Piquet and Marchandet (1998) has liberated the humanity from ignorance and irrationality. Furthermore, the modernity is characterized by the idea of the progress as liberator of the human being.

In the modern era, the knowledge is a universal project, since society is homogeneous and structured by hierarchies based on both objective reality and reason. In marketing, modernity emphasizes the rationality of the consumer behaviour because of his capacity to identify, understand and satisfy his needs. In order to cope with the consumer needs, researchers have established a marketing device “4 Ps: product, price, place, and promotion” to achieve this objective. This marketing tool has progressively been criticized due to the increase of individual’s incredulity towards the foundations of the narrative discourse in the modern era such as reason, progress, science and morality. In addition, the rising of scepticism (Cold War, Hiroshima, Nazism, genocide, gap between rich and poor, Chernobyl…) has discredited the ideological framework that gave meaning to the modern attitudes and values of the social actors. Therefore, alternative legitimate models have emerged and opened up the path to the pluralism of values and behaviours.

In marketing, authors have criticized the foundations of modernism in the field of consumption and pointed out the idea that consumption and production are not just economic acts but also cultural processes. Indeed, the modernism has transformed the individual into a hesitant actor within a rational economic system that provides less emotions, symbolism and spirit (Özçaglar-Toulouse, 2005).

The criticism of the modern consumer society has given rise to new forms of consumption underlying the transition phase of the modern era to the postmodern era. Thus, postmodernity refers to a structural change in the individual and the society related to the end of the industrial era and the advent of the Information and Communication ICTs era that we know today (Decrop, 2008). Therefore, the theoretical foundation of postmodernism defined by the sociologist Lyotard (1979) focuses on the following philosophical principles:
- The subject is fragmented: the influence of the
The postmodern era offers an analytical framework adapted to new trends in the post-industrial society, which expresses post-materialist needs (Inglehart, 1990).

According to this view, new societal values have emerged such as ecology, independence, feminism, responsibility and tolerance. In his book “the postmodern condition”, the French sociologist Lyotard (1979) shows that the postmodern paradigm revolves around seven major characteristics: fragmentation, juxtaposition, tolerance, hyperreality, pastiche, a-synchronism and media culture. In the management science disciplines, postmodernism appeared in the late of the 70s with the works of CCT researchers such as Arnould, Thompson, Holt, Holbrook, Hirschman, Sherry, Firat and Venkatesh who imported the postmodern paradigm from the social sciences (Baudrillard, Lyotard, Maffesoli) to marketing, and especially to the consumer behaviour field. The main objective was to broaden the traditional perspective based primarily on an interpretation of the cognitive aspect of the purchase decision-making process.

Therefore, authors in marketing have been largely influenced by the works of sociologists such as those of Lyotard to offer an adequate definition to study the paradoxical behaviour of the new consumer. A recent article of Decrop (2008) highlights some postmodern paradoxes of the consumer behaviour according to six characteristics: the desire to be alone and together; masculine and feminine, nomadic and sedentary, real and virtual, Kairos and Kronos, and finally a quest for old and new. The first characteristic of the paradoxical behaviour of the new consumer is closely related to the Information and Communication era where internet and mobile phones are an integral part of the consumer daily life. These tools enable the consumer to stay permanently connected with friends and colleagues, and at the same time increase his isolation and the dehumanization of human relations.

The chosen or the imposed loneliness is due to the increase of individualism of the postmodern consumer. Therefore, other forms of socialization have emerged thanks to the use of Information and Communication Technologies ICTs. Among these forms, authors in marketing talk about “tribes” of consumers (Cova, 1995; 2003), which might be real or virtual. These consumer tribes get to gather individuals who share the same interests and have common passions for activities (role-playing games, food, etc.) or brands (Apple, Microsoft, Nike, etc.). This is here a willingness of the individual to reconstruct a family elsewhere when it comes to the “me first, but not alone” (Sansaloni, 2006); this explains the popularity of virtual social networks (Facebook, Myspace, etc.) in the postmodern consumer society.

The second characteristic shows that the erosion of boundaries between masculine values (bravery, power, etc.) and feminine values (peace, kindness, etc.) enhances the paradoxical behaviour of the postmodern individual. Therefore, more and more women become independent and adopt masculine behaviours; men in turn are feminized (androgynous metrosexual. A metrosexual is a heterosexual urban man who enjoys shopping, fashion, and similar interests traditionally associated with women or homosexual men (Oxford Dictionary)) by adopting feminine values conveyed by advertising (Jean-Paul Gaultier's collection with the Male, the market of cosmetics for men, etc.).

The third characteristic of the postmodern consumer paradoxical behaviour reflects the need to be nomadic and sedentary at the same time. Nomadism as defined by the sociologist Maffesoli (2006) is a direct consequence of postmodernism, which liberates the individual from his traditional ties by expanding his anchor points. The postmodern consumer is then facing a paradox: of wanting to move and stay, seeking for somewhere else but like at home. For example: the first thing that the individual looks after when he is in vacation in his resort is to try to find the comfort of his home and his everyday life habits such as checking e-mails. In this sense, marketing professionals have adapted their offers to this paradox by offering tailor-made products and services such as ultra-light laptops with 3G, mini-portions (cheese, coffee, butter, etc.) that can be transported everywhere.

The kairos and kronos paradox as defined by Sansaloni (2006), reflects our relationship to time. In his book the “non-consumer” Sansaloni distinguishes between the two concepts. Kairos means the real time “the instant transformed into action” while Kronos refers to “the measurable time flowing linearly “ (Sansaloni, 2006, p. 157). From the marketing side, we can notice the example of the Italian trend of “slow food” by opposition to the American concept of “fast food”.

Another paradox “real and virtual” is based on the idea of “hyper-reality” in the postmodern society, which refers to the attrition of boundaries between the real and virtual worlds. Video games, dating websites such as Meetic and realistic games such as Second Life are indeed behind the emergence of this new paradox. Finally, the last paradox “old and new” reflects the fact that the new consumer requires “old” and nostalgic consumption items, which should be updated by including new technologies.

A “New Consumer” Competent And Empowered

Studies on the notion of competence and its managerial implications have been carried out recently to better understand the new trends and behaviours of the postmodern consumer. Although marketing researchers consider the consumer in terms of his or her competencies and not only in terms of his or her needs, the concept of the ‘consumer competence’ has not been conceptualized in the consumer behaviour field (Macdonald and Uncles, 2007). Works that revealed positive correlations between the consumer participation and brand loyalty point out the fact that the consumer is always perceived as a competent actor within his or her consumption experiences (Sohby et al. 2009). Therefore, the postmodern consumer is perceived as competent because he disposes of different kinds of knowledge.

This supposes that the new consumer know how to select, organize, combine and integrate this set of knowledge within an environment that presents constraints and resources. Competence is then defined as a contextualized know-how. Therefore, it requires a validation of the environment as well as the recognition by others, particularly by the members of the tribe. Thus, since the consolidation of the CCT in 2005, researchers in marketing (Batat, 2006; Batat, 2008; Bonnemaizon and Batat, 2010a, 2010b) started to study the concept of competence.

These works propose to establish a conceptual and semantic transfer, which marks the transition from the
consumer expertise (the cognitive dimension defined in the traditional approach of marketing) to the consumer competence (a multidisciplinary concept related to the CCT paradigm). Following the CCT paradigm, it is suggested that the competence is the implementation of different types of knowledge, behaviours, experiences, and problem-solving process. Differentiated from the expertise, the competence can be created and used in different contexts. In this sense, the competent consumer is the one who, having acquired knowledge through his own experiences in a specific area, will be able to use it in other situations of consumption to satisfy his symbolic and tangible needs.

The consumer thus combines knowledge, know-how and social skills, which are essential to make his choice and value judgment. The typology of values proposed by Holbrook (1999) is important to clarify the concept of competence in marketing:

- The competence exists if only it is recognized by others (consumers or producers). We can’t say that the consumer is competent in the absolute, but he is competent in this field, to conduct such an activity, to achieve such an experience, etc.

- The competence is revealed in the consumer experiences. The diversity of the consumer skills is linked to the types of experiences and the fluctuations revealed by actions that cause the creative chaos and the creation of new knowledge and skills.

- The competence is linked to a project or a context in which the consumer makes his experiences “group, tribe, family...” Even if the consumer is in the hedonistic state of his consumption experience, he can develop a tacit knowledge that can be used for other experiences. Nonaka and Takeuchi (1997) call this kind of learning “redundancy of the experiential knowledge” that contributes to the creation of new knowledge.

In the CCT philosophy, authors such as Denegri-Knott et al. (2006) utilize the concept of the consumer empowerment to underline the consumer ability to control his choices and get more control on the relationship with the companies. Other authors talk about the consumer agency (Arnould and Thompson, 2005), which points out the fact that value creation is closely linked to the consumer performance, which requires competencies and ability to create a sense of his consumption activity and generate a creative knowledge. This creative learning through the diversion offers a source of innovation and sustainable competitive advantage for the company.

A "New Consumer" Co-Producer: Putting Consumer To Work

In the postmodern society, the product usage requires a dual decision: purchasing the product and using it. In all cases, the consumer attempts to identify three elements involved in the decision and the usage process. The first one is the product. It's the anticipation of what he is going to do with the product. It is a more or less a clear anticipation, more or less assumed, which often changes with use. The second one is the product itself, and finally the third one is the function assigned to the product. This usage shows that the new customers are very active in creating their own culture. They invent their own culture with its codes, practices and languages. Companies thus face the development of a re-appropriation process of the consumer who attempts to escape the consumer experience imposed by producers.

The consumer becomes a producer (Cova, 2008) able to create a new meaning of the company's offer (Certeau, 1990) to fit his needs. The joint production of goods and services between the company and the customer is not a new idea; for example fast food or supermarkets have gained some of their success through the customer participation in order to reduce production costs. Historically, consumer participation in service production was first studied as a strategy to improve productivity by using the client as a free labour, thereby achieving a lower price (Fitzsimmons, 1985; Mills and Morris, 1986).

In the CCT perspective, a number of works proposes to expand the consumer participation to the experiential domain, because it helps to guide the consumer towards an ordinary consumption experience, which brings him satisfaction (Ladwein, 2004). In this sense, co-production is related to an active participation that reflects the consumer involvement in shaping the company’s offer (Cermak, 1994).

Dujarier (2008) shows in her book “the consumer work” that the co-producer status of the consumer is a direct consequence of the consumer empowerment thanks to the use of digital equipment as well as ICTs and internet as a source of information. Indeed, with the democratization of the use of digital technologies and multimedia products, new behaviours in terms of creation and sharing information on consumption have emerged through online communities. These consumers who are co-producers of content have become more influential and are often seen as a proven source of information.

In the audiovisual and media sector, a number of the U.S. TV channels internationally renowned such as CNN have implemented the “IReporters” concept, which is a kind of citizen journalists who produce and disseminate documentaries and reports. On the CNN site and Internet users are invited to share their experiences, comments and videos on current news or other matters. The best stories will be broadcast in the CNN TV news channel and the IReporter is often invited to join the journalist and participate to the debate. Thus, CNN benefits from the expertise of these citizen journalists and reduces the costs of its professional journalists, because to produce a report they must travel, which generates financial and management expenses.

The case of IReporters is different because there is no cost and consumers work for free because they are passionate. This participation in terms of production and dissemination of information is becoming essential for media groups and the audiovisual sector who attempt to implement a policy to enhance the collaboration with the consumer who is able to produce, disseminate and influence through his online social network. However, this ideology has some limits in terms of the relevance and the value of information produced by a consumer who is not paid for this work. Indeed, the fashion and haute couture sector, designers and luxury brands pay the influential bloggers on the web to attend their shows and promote a feedback and information on their blog to the online community through Twitter, or Facebook. These users receive in return remuneration and are considered as employees, which is not yet the case in the media and audiovisual industry.

To sum up, this literature review highlighted the specific features and main characteristics (hedonic and experiential, ethical, responsible and paradoxical, appropriation and re-appropriation, resistance and empowerment, participation and co-production) of the new consumer explained through the Consumer Culture Theory CCT, which allows researchers to understand the paradigm
related to the postmodern era in marketing and consumer behaviour research (Cova and Cova, 2009; Thompson, 2000; Thompson and Troester, 2002). These characteristics reflect four principle dimensions: the digital and the interactive context of the new consumer, the importance of meaning creation within consumption experiences in a social context, the competence and the resistance of the new consumer and finally the participation and the co-creation of offers and value with suppliers.

DISCUSSION
This conceptual paper attempted to synthesize a wide variety of disparate research streams and ideas emerging within postmodern research in the CCT tradition to create a "new consumer" paradigm. The outcomes of this research appreciate the nuances and textures of the contemporary consumer landscape and thus don’t attempt to generalize the “new consumer” paradigm. Indeed, we addressed work to identify characteristics of the “new consumer” but it seems more likely that what we identified is “a” new consumer among a large variety of segments of consumers. For example, one characteristic of the “new consumer” is that he uses digital media to excise and exercise the paradoxes of postmodernity. While that may certainly be resonant with many consumers in the western societies, we should take into account the technology divide even in developing countries such as Europe and the United States.

Certainly for a large group of consumers in one major developed country, this aspect of the “new consumer” has no application. On every dimension or characteristic of the “new consumer”, similar observations are readily at hand that make this discussion of the “new consumer” at once provocative and at the same time feel narrow and almost modernistically monolithic and myopic. While there are certainly consumers who are “responsible and ethical” green consumers and prosumers, there are certainly large and possibly even majority segments who disregard or even actively disrespect this cultural narrative and care little of or for corporate responsibility practices.

The idea that has emerged from this paper is that there certainly exists new milieu of interwoven narratives that coalesce into “a” new consumer paradigm. Therefore, Marketing and consumer behaviour researchers should so far as to highlight this type or kind of consumer as “the new consumer” of the postmodern era. Some consumers certainly embrace today the narratives and values of modernity such as scientific reductionism and of economic rationality. These narratives make meaning in their lives and form the ontological building blocks of their world. While they may live next door to “the new consumer,” they would likely have little in common. And yet, they live, they purchase, they consume with very little resemblance to their “new consumer” neighbors. The world is more complex and filled with a variety of consumers who are ontologically disparate and who polysemically read the world around them in exceptionally nuanced and oftentimes orthogonal ways.

CONCLUSION
The six characteristics identified and related to the concept of “new consumer” are enhanced by the fact that the new communication modalities from blogs to YouTube videos to wikis to podcasts and Really Simple Syndication, to message boards and advances in technologies; have enabled new types of experiences and enhanced consumer collaboration and participation within his experiences by acquiring new and digital competencies. As a result, the new consumer becomes an economic market actor able to co-create value with suppliers. Thus, there is an ongoing structural shift in the why, who, what, where and how of value creation (Prahalad and Ramaswamy, 2004).

Research on how customers engage in the co-creation processes as envisaged by the Service-Dominant (S-D) Logic paradigm (Vargo and Lusch, 2008) is an emerging topic, and scant research has been published on frameworks for organizations to manage the co-creation process. The coming out of the new consumer who is viewed as co-creator of value has opened up discussion and stimulated new ways of thinking around a number of theoretical aspects and related managerial implications. Therefore, the idea of putting the new consumer to work is at the heart of the company’s policy and strategy.

The companies and marketers should focus more on the symbolic and the experiential behaviours of the new consumer by adapting their offers as well as co-creating and sharing value with him. In this sense, authors such as Vargo and Lusch have pointed out through their concept of Service-Dominant Logic “S-D logic”, the need for companies to get closer with their clients, recognize their abilities and get involved in the co-creation process of value with the new consumer who is empowered, well informed, competent and responsible.

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Anthropomorphism and Animism Theory in Branding
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ABSTRACT
Animism and anthropomorphism theory have been introduced into branding, with an implication that consumers see brands as humanlike entities. A literature review identifies three papers that present significant discourse on the ‘humanlike brand’ and these form the basis of a critical review. Utilising brand definition and conceptualisation as a focus, the paper questions the citation of animism and anthropomorphism theory to justify the humanlike brand. Furthermore the empirical evidence supporting humanlike brand theory is examined and found to be questionable. As a result, the paper tentatively concludes that humanlike brand theory is questionable, and calls for a more thorough review.

Animism and anthropomorphism theory were first explicitly introduced into branding theory by Aaker (1997) and Fournier (1998), though earlier literature seemed to imply that brands were the subject of animism and anthropomorphism by consumers (Blackston, 1993; King, 1973). Guthrie (1993), in an extensive and comprehensive discussion of animism and anthropomorphism, defines animism as humans “attributing life to the nonliving” and anthropomorphism as “attributing human characteristics to the nonhuman” (p52). As such, if brands are perceived as animistic/anthropomorphic, they are perceived by consumers as living humanlike entities (hereafter the humanlike brand). Indeed, Puzakova, Kwak, and Rocereto (2009) explicitly express this view, saying that the “fact that consumers form strong relationships with brands suggests that individuals perceive these brands as complete humans” (p413).

As a foundation for this paper, in addition to informal literature reviews, Scopus and Google Scholar database searches were undertaken to identify branding literature relevant to humanlike brand theory (see appendix). The aim of the reviews and searches was to identify papers that offer a significant discourse on the theory and/or evidence for the humanlike brand, and three articles were thus identified; Fournier (1998), Puzakova et al (2009) and Freling and Forbes (2005). The purpose of this paper is to present a critical review (see Niiniluoto, 1999 for a discussion of critical approaches to theory) of the theory and evidence for the humanlike brand that is presented in the three articles (hereafter referred to without dates).

A key focus of the paper is to evaluate humanlike brand theory in relation to brand definition and conceptualisation. In particular, the validity of the importation of animism and anthropomorphism theory is examined in this context and found to be questionable. In addition to this theoretical examination, the empirical evidence for humanlike brand presented in the three selected papers is examined, and is found to be questionable. Furthermore, there is literature and research that, directly and indirectly, suggests that consumers do not ordinarily think of brands as humanlike. This paper therefore finds that there are problems in both the theory and the empirical evidence presented in the three papers selected for the review. As such, bearing in mind the limited nature of the review, the paper tentatively concludes by questioning the validity of humanlike brand theory, and calling for a more comprehensive evaluation of the humanlike brand theory.

WHAT IS THE SUBJECT OF THE ANIMISM AND ANTHROPOMORPHISM?
The review for this paper commences with a fundamental question: when discussing that brands are perceived as humanlike, a problem arises as to what exactly a brand might be and this is the question of brand definition and conceptualisation. It is not a trivial question, as the three articles are importing and adapting a body of theory and research from the animism and anthropomorphism literature, and applying this to a brand entity. It is therefore essential that the theorists explain to what entity this theory might apply, as it is only possible to know whether the imported theory is being applied appropriately if the entity that is the subject of animism and anthropomorphism is explained.

The problem for theorists is that brand definition and conceptualisation is variable and proves to be inconsistent. For example, Brodie and de Chernatony (2009) recently observed that “there never will be a unifying definition of ‘brand’ but a constantly evolving series of contexts of lenses through which the phenomenon is viewed.” (p97) Likewise, the reviews of brand definitions by Wood (2000) and Stern (2006) identify multiple definitions and conceptualisations of brands, and other brand theorists such as Kapferer (2001, p3; 2004, p9) and Ind (2004, p16) have also noted that brand definition and conceptualisation are problematic.

It is therefore notable that Puzakova et al and Freling and Forbes offer no definition or conceptualisation of the brand. In doing so, they leave the brand concept open to interpretation so that it is unclear what exactly they are suggesting is the subject of the animism and anthropomorphism. By contrast, Fournier does define the brand but, as will be seen later, the definition proves problematic in relation to the importation of animism and anthropomorphism theory. Overall, it will be apparent that brand definitions and conceptualisations present significant challenges in relation to humanlike brand theory. In particular, when importing theory from the animism and anthropomorphism literature, examples and theory derived from the study of non-brand entities are used to explain brand animism and anthropomorphism.

For example, Freling and Forbes point out that anthropomorphism is a widespread phenomena, citing examples taken from Guthrie (1993), such as the human tendency to speak to plants, cars and computers. They propose that a “logical extension of this thinking is to view brand personality as an instance of anthropomorphism.” (p152) In the discussion that follows, there are citations from theorists who consider the ongoing debate about animal anthropomorphism in ethology, such as Kennedy (1992) and Møynihan (1997). Furthermore, there is reference to teleology, which is a more general position that humans assign purposefulness to the world around them (Broaddus, 2006), as well as discussion of the anthropic principle, which is the tendency to explain the world in terms of their own (human) experiences.

A fundamental problem with the discussion of Freling and Forbes is that they claim that the examples of anthropomorphism that they provide can be ‘logically’ extended to the application of the humanlike brand. As Freling and Forbes correctly identify, animism and anthropomorphism are commonplace and there are indeed
many variants of animism and anthropomorphism cited in literature. For example, in an extensive review, Guthrie (1993) identifies varied examples, such as a hat blowing in the wind being perceived as evading capture (p47), seeing a human form in a clif (p84), attribution of human qualities in plants (p60) and animals (p93), anthropomorphism of objects in advertising (p85), and the anthropomorphism and animism of entities associated with religious thought.

Other theorists and researchers likewise identify similar examples, such as a Berliner key being perceived as a social actor that alters behaviour (Owens, 2007), animated geometric shapes perceived as humanlike (Castelli, Happé, Frith, & Frith, 2000), or the way in which technical devices come ‘alive’ when malfunctioning (Caporael, 1986; Epley, Waytz, Akalis, & Cacioppo, 2008). In addition, the literature surrounding animal anthropomorphism (Chin, Sims, Clark, & Lopez, 2004; Kennedy, 1992; Mitchell, Thompson, & Miles, 1997) and anthropomorphism in relation to religion (e.g. J. L. Barrett, Richert, & Driesenga, 2001; Boyer, 1996a; Harvey, 2005; McDougall, 1915) is extensive. There can be little doubt that animism and anthropomorphism are phenomena that are apparent over many domains, but none of these examples demonstrate that brands might be the subject of animism and anthropomorphism.

A similar problem arises with Puzakova et al, who place considerable reliance on the work of Epley et al (2008; 2007). Epley et al (2007) consider a wide variety of anthropomorphic nonhuman agents and suggest that these agents might include “anything that acts with apparent independence, including nonhuman animals, natural forces, religious deities, and mechanical or electronic devices.” A similar set of examples appear in the Epley et al (2008), where they broadly categorise nonhuman agents as mechanical devices, nonhuman animals, and deities and spirits. As for Freling and Forbes, the problems in these examples are how they might relate to brand anthropomorphism and animism, and this raises the question of brand definition and conceptualisation.

Neither Puzakova et al, nor Freling and Forbes have defined what they mean by the term brand. However, in the reviews of brand definitions and conceptualisations by Wood (2000) and Stern (2006) it is apparent that all of the widely accepted views of brands propose that a brand is an immaterial entity, albeit with some physical instantiations such as logos and products. Stern (2006) observes that the definitions and conceptualisation of brand are rooted in metaphor, and Davies and Chun (2003) come to the same conclusion. As brands are fundamentally immaterial/metaphoric comparisons of brands with the animism and anthropomorphism of entities such as animals, plants, and inanimate objects do not justify or explain the humanlike brand. They may indicate a general human proclivity towards animism and anthropomorphism, but nothing more.

In consideration of the conceptualisation of brand as being metaphoric, Epley et al (2007) suggest that metaphor can be anthropomorphic, giving the example of inflation perceived as an adversary. However, they also categorise this as a ‘weak’ variant of anthropomorphism, suggesting that the metaphor is lacking the human traits that they see as constituting ‘strong’ variants (e.g. deities). The problem for this as an exemplar for the humanlike brand is that the humanlike brand is a strong variant of anthropomorphism, as humanlike brand theory proposes that brands have personality, and are sufficiently humanlike that consumers might have a relationship with them.

In order for humanlike brand theorists to justify the humanlike brand, it is necessary to find examples in the literature that can be related to Epley et al’s (2007) strong variant of anthropomorphism i.e. a variant that is primarily immaterial/metaphoric but also includes a similar degree of humanlike attribution to the humanlike brand. Guthrie (1993) undoubtedly offers the most comprehensive review of literature on animism and anthropomorphism, but the only examples in his work that might be comparable with the humanlike brand are entities such as the spirits and deities. Further reviews of more recent animism and anthropomorphism literature presented the same conclusion, which is that the only example equivalent to the humanlike brand are those associated with religious thought (e.g. J. L. Barrett & Keil, 1996; Boyer, 1996a; Boyer, 1996b; Caporael & Heyes, 1997; Epley, Akalis et al., 2008; Epley, Waytz et al., 2008; Epley et al., 2007; Gommeron, 2008).

It may be a matter of concern to researchers and theorists who propose humanlike brand explanations that the only comparable examples are entities such as spirits and deities. Whilst it may be possible for consumers to think of brands in ways that are comparable to thought about these entities, it also seems intuitively implausible (e.g. see Doppelt, 2005 for a discussion of intuitive plausibility). Furthermore, if this is the explanation of the humanlike brand it would need very robust support from the body of theory examining religious thought (e.g. J. Barrett, 2007; Boyer, 2001). In the absence of presentation of this theoretical justification, the importation of animism and anthropomorphism theory into branding fails to explain or justify the humanlike brand.

The importance of brand definition in relation to the humanlike brand is further illustrated by Fournier. The article is unusual in that it gives a clear conceptualisation of the brand as “simply a collection of perceptions held in the mind of a consumer” (p344). In thus conceptualising the brand, the inevitable question is how it might be possible for a consumer to experience animism and anthropomorphism of a collection of their own perceptions. In particular, the perceptions must have a referent somewhere outside of the consumer, or brands would just be an elaborate self-induced fantasy. It seems fair to suggest that Fournier is unlikely to have intended this interpretation (see later). As such, de Chernatony and Dall’Olmo Riley’s (1998, see p426) contemporaneous discussion of the components of brands presents some potential sources of referents for consumer perceptions, and is summarised in figure 1.

The first point to note in figure 1 is that both relationship and personality appear as components, raising the problem of relationship with what, and the question of what ‘has’ the personality. Aside from this fundamental problem, if looking for a target for the perceptions that might reasonably be the subject of animism and anthropomorphism, it is difficult to see any component that might be appropriate. Whilst the logo might be anthropomorphic (e.g. the Michelin Man), this does not imply or demonstrate brand animism. The only component that seems suggestive of being a source for humanlike perceptions, and with which a consumer might have a relationship is the company/corporation. It is therefore interesting to note that Fournier (1998) says the following:
In the case of Puzakova et al and Freling and Forbes, who present no brand definition, it is nevertheless apparent that the commonality of brand definitions and conceptualisation as metaphoric/immaterial also present problems for the validity of humanlike brand theory. It is therefore interesting to note that, in a recent paper (Freling, Crosno, & Henard, 2010), there is no mention of humanlike brand theory, and no explanation for the disappearance.

"A logical extension of this thinking [that consumers perceive a relationship through marketing activities] is to view all marketing actions as a set of behavioral incidents from which trait inferences about the brand are made and through which the brand’s personality is actualized.” (p345)

In light of the fact that Fournier is proposing that the relationship is with the brand, this appears to be a contradictory position, with the relationship apparently with the firm. In this case, the brand simply becomes a label for the inferences derived from the activity of the firm. A firm’s actions are the collective activity of the individuals within the firm, and it is interesting to see that O’Guinn and Muniz (2009) have sought to reconceptualise brand relationships into ‘collective brand relationships’ and highlight the role of the firm. However, as firms are a collection of real humans, there is no need for animism and anthropomorphism theory, as consumers are making their inferences from the activity of real people. Furthermore, a more intuitively plausible concept of ‘consumer firm relationships’ presents itself, and this reflects conceptualisations of consumer commercial relationships presented by other theorists (Bhattacharya & Sen, 2003; Sheth & Parvatiyar, 1995).

The interesting point in the examination of Fournier’s theory is that, in later work, Fournier (2009) has seemingly retreated from the humanlike brand theory, which is described as a ‘red herring’. When considering the problematic nature of Fournier’s brand definition, and the implications of the definition, this is unsurprising. Furthermore, when examining the case studies in Fournier’s original work, it is apparent that there is surprisingly little evidence of humanlike brand perceptions, and that the ‘relationships’ are mostly derived from Fournier’s interpretation of mundane descriptions. Although there is mention of ‘love’ in two cases, the possibility that the use of the term ‘love’ might be figuratative is not considered or investigated, despite the unusual nature of this discourse in relation to the overall discourse.

In the case of Blackston, Lannon and Plummer, all reference evidence from the animism and anthropomorphism literature, and there is also both direct and indirect examples in the branding literature that suggest that consumers ordinarily thinking of brands as humanlike is, at the very least, unlikely.

The emphasis on consumers ordinarly thinking of brands as humanlike relates to a particular source of evidence for the humanlike brands, which is research that is founded in the use of projective methods. All three articles cite work founded in projective methods, with the following cited in one or more of the articles as evidence of the humanlike brand; Blackston (1993, 1995), Plummer (1985), Rook (1985, 1987), Lannon (1993), Sherry, McGrath and Levy (1993) and Levy (1985).

As an illustration, Blackston, Lannon and Plummer, are all practitioners who utilised projective methods in their brand research, and all of their work includes research derived from the projective method of brand personification. This is an associative projective method (see Helkkula & Pihlström, 2010 for classification of projective methods) in which the researchers ask consumers to think of a brand as if it were a person, and then ask the consumer to describe the ‘person’, and sometime consumers are even asked to think of the imagined ‘person’ in a fantasy situation (Blackston, 1993).

Another associative method is used by Plummer (1985), which is to imagine the brand as an animal, and other examples of associative methods includes cars (Levy, 1985). As such, in all of these examples of practitioner literature, there are indeed cases of brand animism and anthropomorphism. However, the use of this work as evidence in support of the humanlike brand is problematic.

The problem with research based upon projective methods is that this does not represent how consumers ordinarly think of brands. Zaltman and Zaltman (2008, p37) make the point clearly in relations to associative projections, and O’Guinn and Muniz (2009) describe the use of ‘neo-Freudian’ projective research as ‘odd’, and are dismissive of the idea that consumers might perceive a humanlike brand when they say that:

“We know of no compelling evidence that humans, without being coached or demanded to do so, think of brands as humans or humanlike.” (p174).
It is notable that Fournier’s (2009) ‘retreat’ from humanlike brand theory appears in the same volume as the O’Guinn and Muniz critique humanlike brand theory, possibly suggesting that Fournier retreated from humanlike brand theory as a result of the critique. The point is that, the research founded on projective methods is not in any way representative of the way that consumers ordinarily think of brands. For example, whilst it is relatively easy to ‘coax’ consumers to think of brands as if they were people, it is also possible to coax them to think of brands as animals. This in no way indicates that consumers think of brands as if they are animals. In other projective research, it is quite possible that human characteristics might be associated with brands, but associations such as user-imagery (the data generated from personification, van Hoof, Walenberg, & de Jong, 2007) are very different from the humanlike brand, which purports that the brand itself is humanlike and animate.

When looking at the three articles, the real concern is that, outside of the results of projective methods, no other empirical evidence is presented for the humanlike brand excepting other brand personality or brand relationship articles. For example, Freling and Forbes cite Aaker (1999), Fournier (1998) and their own research on brand personality (T. Freling & L. Forbes, 2005). The lack of citations of evidence of the humanlike brand from outside of the brand personality and brand relationship literature, and outside of projective research, raises a significant concern. This is best expressed by Freling and Forbes, who say the following:

“[…] there is a limited body of work that indirectly documents the practice of anthropomorphic thinking in a branding context, demonstrating that consumers attribute human properties to their possessions, goods, products and services […]” (p152)

The first problem is that they discuss a ‘limited body’ of evidence, and the second problem is that this is not even for brands. As Freling and Forbes are brand personality theorists who are detailing humanlike brand theory, it would be reasonable to expect that they could present a large body of evidence to support humanlike brand theory. After decades of intense scrutiny of brand perceptions, there should be a voluminous body of literature to support the humanlike brand. After all, consumers perceiving brands as humanlike entities is not an immediately intuitively plausible notion, and would thus surely have garnered significant comment and notice. Of course, it is possible that the many researchers studying brands simply missed these perceptions, but this is improbable. Furthermore, there is both direct and indirect evidence which suggests that consumers do not think of brands as humanlike.

One study which strongly suggests that brands are not perceived as humanlike is rather oddly cited by Purakova et al as evidence in support of the humanlike brand. This is the research of Yoon et al (2006), who utilised fMRI scans as method of assessing whether people use the same judgement mechanism for brands as for people. Utilising adjectives taken from brand personality scales, they combined these on flash cards with the names of people, brands or a designation of ‘self’ (e.g. Sprite + cheerful, Billy Joel + sincere, self + annoying). Their purpose was to identify whether the medial prefrontal cortex, associated with judgements about people, or the left inferior prefrontal cortex, associated with judgements about objects, would be activated. The conclusions of the study were quite clear:

“Overall results of the present fMRI investigation support the contention that consumers do not process descriptive judgements of products in the same manner as those for humans.” (p36)

Aside from their use of the word ‘products’ (when they presumably mean brands), their research conclusion serves to raise questions about the humanlike brand. Furthermore, there has been the application of full human personality inventories to brands, including the Five Factor Model (Caprara et al., 2001) and the Myers Briggs Type Indicator (Shank & Langmeyer, 1994). In both cases, the models could not be validated for brands, and this is suggestive that consumers do not think of brands as humanlike.

However, it is the extension of brand personality research into other areas that indirectly raise serious problems for the humanlike brand theory. For example, Batra et al (2010) have developed the concept of category personality, in which categories are found to have humanlike associations. There have likewise been studies of destination personality (Ekinci & Hosany, 2006; 2006), website personality (Chen & Rodgers, 2006), and even housing estate personality (Ibrahim & Ong, 2004). Are all of these entities with ‘personalities’ likewise perceived as humanlike entities? Again, this seems very improbable, in particular in the case of categories.

Finally, a study of Romaniuk and Ehrenberg (2003) presented consumers with a free choice survey method to assign brand personality traits to consumers, in which they ticked the box if it was applicable to the brand. This contrasts with the widely used Aaker (1997) brand personality scale in which respondents must present a rating of the brand against each trait. It is also worth noting that Aaker (1997) used brand personification as part of the process of developing the brand personality scale, which returns to the problems of projective methods. As such, whilst the Aaker scale appears to ‘find’ brand personality, Romaniuk and Ehrenberg found very few of the traits were seen as applicable to individual brands and, where traits were seen as applicable, in many cases they were applied equally to different brands in the same category. This finding seems to suggest that ‘category personality’ was a major influence.

Overall, the empirical evidence for the humanlike brand appears to be very weak. Above all else, the greatest problem is that, outside of brand personality and brand relationship research and projective research, there is no evidence of consumers thinking of brands as humanlike. Indeed, since the introduction of the humanlike brand, research on consumer perceptions of brands is ongoing. Despite this, it is interesting to see that in a recent article, Freling (Freling et al., 2010) still offers no citations of literature showing consumers ordinarily think of brands as humanlike. It is also interesting to note that humanlike brand theory is not included in the recent article, and that the disappearance of this theory is not commented upon.

CONCLUSIONS

Before concluding, the limited scope of the review must be emphasised. As a brief conference paper, it is not possible to offer a full and comprehensive review of the literature and the conclusions are therefore tentative. However, notwithstanding this limitation, the review presented here might serve to raise concern and doubts about the theory of the humanlike brand. In particular, there are question marks over the empirical foundation for the
humanlike brand, and theories of animism and anthropomorphism only support the humanlike brand theory if brands are perceived by consumers as akin to a deity or spirit. This latter point seems intuitively implausible. Furthermore, if brands are not perceived as humanlike, this raises broader questions about what exactly brand personality and brand relationships might be. Aaker (1997) and Fournier (1998) provided the foundations respectively for brand personality and brand relationship theory, but both papers were founded in humanlike brand theory. Without humanlike brand theory, what might explain the relevance of these concepts? One indirect conclusion of the review is that clear brand definition and conceptualisation has potential to highlight inconsistencies in theory. Had Fournier considered humanlike brand theory in relation to the brand definition given in the paper, the inconsistency in the theory may have been identified. Likewise, in the case of Freling and Forbes and Puzakova et al., had they provided a conceptualisation of the brand, this would have potentially provided an opportunity to note the lack of plausible exemplars in the animism and anthropomorphism literature. This serves to further highlight the importance of clarity of brand definition and conceptualisation in relation to branding theory and research (Avis, 2009).

Although the conclusions of this paper are tentative, the paper presents a springboard for a more comprehensive review of humanlike brand theory and evidence, as well as a more detailed and comprehensive review of animism and anthropomorphism theory in relation to branding. The paper might also serve to spur some debate and consideration of humanlike brand theory within the brand personality and brand relationship literature. For example, it may be possible to address or refute the points in this paper, or theorists may conclude that there are more fruitful theoretical justifications for brand personality and brand relationship theory. In either case, the paper contributes to branding literature by highlighting some problems in the theory and evidence for the humanlike brand.

APPENDIX

Table 1: Database Searches for Brand Personality and Brand Relationship Literature

<table>
<thead>
<tr>
<th>Database</th>
<th>Search parameters</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scopus</td>
<td>ALL (&quot;brand relationship&quot; OR &quot;brand personality&quot;) AND (animism OR anthropomorphism OR anthropomorphic OR anthropomorphise)</td>
<td>17</td>
</tr>
<tr>
<td>Google Scholar</td>
<td>animism OR anthropomorphism OR anthropomorphic OR anthropomorphise &quot;brand personality&quot;</td>
<td>108</td>
</tr>
<tr>
<td>Google Scholar</td>
<td>animism OR anthropomorphism OR anthropomorphic OR anthropomorphise &quot;brand relationship&quot;</td>
<td>58</td>
</tr>
</tbody>
</table>

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SESSION SUMMARY

Extant research has demonstrated that consumers expect to be well-informed and to be treated fairly (Dunfee, et al. 1999; Sparks and Hunt 1998). Despite that both marketers and consumers are aware of some basic ethical principles in marketplace exchanges, they may engage in deceptive or unfair behaviors nonetheless. What motivates violations of ethical standards? Do they see violations as “black and white”? What drives or moderates perceptions of unethical practices?

This session offers a multi-faceted examination of ethical issues pertaining to marketer-consumer interactions in two important contexts: deceptive claims and unfair pricing. The objective is to present emerging research in two specific areas from both marketers’ and consumers’ perspectives. In four papers, the authors show: 1) prevalent social norms are powerful in setting ethical standards; and 2) the ethical perceptions can be biased toward self-interest. When an unethical behavior is to their advantage, people tend to rationalize it. Further, these perceptions vary depending on a broad set of economic and psychological variables, including: financial incentives, personality traits, different perspectives, social comparisons, and the dynamics of marketer-consumer relationships.

The first two papers address unethical behaviors in the form of deceptive claims. Darke et al. (Paper 1) use a behavioral economics approach to understand economic and psychological factors that cause misleading claims to occur. They find, for example, that both economic (i.e., financial incentives) and psychological factors (i.e., competitor behavior and social norms) can increase misleading claims, and that these pressures have particularly strong effects on individuals who are otherwise inclined to view themselves as ethical. Less ethically inclined individuals tend to mislead at higher levels even without additional pressure. Xie et al. (Paper 2) examine the role of taking the marketer’s and consumer’s perspectives in determining ethical behaviors. They find that the perspective-taking cue can moderate perceived deceptiveness when the seller cheats. Both papers have important implications for the recent literature examining whether unethical behavior occurs primarily through economic incentives versus a self-awareness mechanism where individuals cheat only so long as they are able to maintain the self-impression they are good or ethical (Mazar et al. 2008).

The next two papers explore the role of social comparison in shaping fairness perception of differential pricing. While differential prices are perceived as unfair, Ashworth and McShane (Paper 3) point out that social comparison can exacerbate unfairness perceptions. They examine the implication of personal discrimination via different prices, and the circumstances under which the perception of mistreatment is more likely to occur. Xia (Paper 4) explores the dynamics between marketers, consumers, and other consumers by examining a unique context when one consumer’s gain is another’s loss. The results reveal that the same price variation could be perceived as unfair or pro-social depending on the reasons behind it. Both papers help to provide a clearer conceptual understanding of the well-known pricing concepts of fairness, transaction utility, and equity.

Overall, this session presents a series of studies that not only showcase the variety of perceptions of unethical behavior in marketer-consumer interactions, but also explores the underlying mechanisms involved. Theoretically, the authors attempt to better understand the important social, personal, and economic influences on ethical evaluations. The four papers reveal a number of motivational and contextual cues that make violations more or less unethical. In short, egocentrism is a major factor. Negative perceptions of deception and unfairness can be enhanced or moderated in line with one’s self-interest or individual perspective. Competitors or other consumers’ behaviors may also influence one’s own ethical perceptions via social comparisons.
EXTENDED ABSTRACT

Deceptive marketing practices are widespread. According to the FTC, over 30 million consumers in the US were victims of deceptive marketing practices in 2004, and over 70% of these incidents involved advertising. This paper examines the causes of misleading product claims using a series of behavioral experiments. In terms of theory, we integrate ideas from the economics, psychology and ethics literatures concerning the causes of unethical behavior more broadly. Our main interest was investigating the role of key economic and social factors in engendering misleading claims, including: the competitive nature of the market itself (competition intensity), specific competitor behavior and market norms, and financial incentives. Importantly we adopted an interactionist framework, which suggests some individuals are more likely to react to pressures to engage in deception than others.

The experimental task used for all studies involved asking subjects to choose product claims for inclusion in an advertisement for a Caribbean Cruise (Claims were pretested to determine whether they were perceived as accurate, exaggerated, or understated given the objective features of the cruise). Subjects were told their advertisement would be shown to 20 consumers who would serve as the target market, and would each decide whether to purchase the cruise or not on the basis of the advertisements alone. Subjects started with an initial $5 and would get to keep this only if they made at least 4 sales, and were also offered an additional $1 for each sale. The main dependent measure was the number of misleading claims in each subject’s advertisement.

Market competition and feedback were both varied in Experiment 1. Competition was manipulated by suggesting there were 3 versus 5 brands competing for the same customers in the market. Feedback was manipulated by providing a copy of a competitor’s advertisement from a previous round of the game, where all the claims were misleading. A control condition did not get this feedback. The results showed that, while there were no effects of market competition per se, the specific behavior of a competing firm in terms of the lie feedback significantly increased misleading claims made by subjects themselves (p<.05). The effects of feedback were further moderated by trait differences in ethical beliefs (i.e., trait Machiavellianism). Less ethical individuals engaged in relatively high levels of deception regardless of feedback, whereas more ethical individuals engaged in deception primarily when they learned the competition lied in a previous round. Experiment 2 re-examined the market competition hypothesis using a stronger manipulation (5 firms competing for the same customers vs. monopolistic markets where each firm had its own exclusive customers). Although checks indicated the manipulation was effective (p<.01), there were no significant effects on the advertising claims. Market feedback was also manipulated as before, with a truth condition added where all the claims made by the other firm were truthful. This showed again that feedback influenced the claims made by those with an ethical personality trait, but not those who were less ethically inclined (p<.05). In addition, lie feedback had a stronger impact on claims than truth feedback, suggesting some asymmetry in the direction of the effects of competitive feedback. These feedback effects were mediated by perceived norms for cheating. Experiment 3 examined the role of the financial incentives by independently varying the costs (can lose initial $5) and benefits (can gain an additional $1/sale). The results showed that only losses (fear) led to increased deception. Gains (greed) had little impact. This was true despite the total gains ($20) being greater than the losses ($5). The experimental effects were again moderated by trait differences; where losses primarily induced ethical individuals to engage in deception and unethical individuals engaged in high levels of deception regardless of incentives.

Deception in advertising has been a concern for more than 50 years, and yet it is still prevalent. The current findings have a number of theoretical implications for understanding the root causes of such deception. For instance, while there is a good deal of correlational evidence that corporate norms predict unethical behavior (e.g., Ferrell and Skinner 1988), our work answers calls for more causal evidence to support this link, and further shows that competitor norms act as an additional influence. We also provide evidence that financial incentives—especially losses—increase deceptive claims. While this conclusion may seem intuitively obvious, prior evidence on this point is decidedly mixed (see Mazur et al. 2008). The mixed results may have been due to the fact positive and negative incentives were not independently manipulated and failed to consider individual differences. Our research also provides evidence for the interactionist model of ethical behavior by showing deceptive claims are determined by a combination of situational and personality effects. This implies unethical individuals are likely to routinely mislead consumers, but that even otherwise ethical people can be induced to mislead given sufficient pressures. While it is likely possible to control the behavior of the latter group through appropriate normative feedback and incentives, this prospect seems bleak for the dispositionally unethical. Finally, market competition is often viewed as a leading cause of advertising deception (e.g., Preston 1994). Our studies manipulated this variable in different ways, and although checks indicate the manipulations were successful, competition produced no significant effects on deceptive claims. Regulators may be well advised not to focus unduly on competitive markets at the expense of monitoring less competitive or monopoly markets for advertising deception.
SPECIAL SESSION SUMMARY
Perceived Deception: The Role of Perspective-taking
Guang-Xin Xie, University of Massachusetts Boston, USA*
Hua Chang, Drexel University, USA
Namika Sagara, Duke University, USA

EXTENDED ABSTRACT
When sellers deliberately provide false information that deviates from the facts, buyers tend to think sellers are deceptive. In this study, we propose that buyers have a “comfort zone” about the degree to which sellers can deviate from the facts. As Mazar et al. (2008) suggest, even honest people sometimes cheat, as long as the deviation is small enough to maintain a positive self-concept. If buyers think from the sellers’ perspective and the sellers just cheat a little, buyers may be more tolerant about the fact-claim discrepancies because they may do the same as sellers.

In Study 1 (n = 94), participants read a scenario in which a salesperson sells a car with a true markup of 7%. Participants were randomly assigned to one of three conditions: the salesperson told the customer that the markup was 7%, 7.5%, or 15% when asked. One-way ANOVA suggests 15% was significantly more deceptive than 7.5% (p = .046); and 7.5% was significantly more deceptive than 7% (p < .001). It was evident that more deviation from the fact was more deceptive from a customer’s perspective only.

In Study 2a (n = 71), participants took the perspective from a salesperson first (i.e., imagined working as a salesperson to sell a car with a true markup of 7%). They wrote down the markup they would tell a customer. After a filler task, participants were randomly assigned to one of two conditions, representing the same scenario from the customer’s standpoint: a salesperson said the markup was 7.5% (vs. 15%). Then they rated how deceptive the salesperson was. The absolute values of deviation from the true rate (7%) were calculated, followed by a median split. A 2 (salesperson’s deviation: 7.5% vs. 15%) x 2 (perspective-taking: high-vs. low-deviation) ANOVA suggests a significant interaction (p = .04). 15% was more deceptive than 7.5% among those who did not cheat or cheated just a little as a seller. Among those who cheated a lot as a seller, 15% and 7.5% were equally non-deceptive. After saying they would cheat customers quite a bit, those participants indicated the salesperson was not acting in an objectionable manner.

In Study 2b (n = 124), we flipped the task order: participants were first presented with the seller evaluation task (7.5% vs. 15%). The purpose is to moderate the potential self-reference in Study 2a. After a filler task, participants indicated what markup rate they would tell as a salesperson. The results suggest that 15% was more deceptive than 7.5% (p = .006); but the interaction was no longer significant: participants who deviated a lot from 7% as a seller also considered 15% more deceptive than 7.5%. Also, after being primed to evaluate the seller’s deceptiveness first, many more participants (41.1%) told the customer the true markup rate than those in Study 2a (18%), p < .01.

In Study 3 (n = 61), we pushed the boundary of the deviation. The design and analysis was the same as Study 2a, except that the salesperson told the customer 7.5% or a much higher rate 21%. The rate 21% was high enough to exceed the upper bound of participants’ self-reported deviation in Study 2a. The results suggest that the salesperson was more deceptive when he said the true rate was 21% compared to 7.5% (p = .012). Perspective-taking was not significant (p = .85). The interaction was not significant either (p = .82). Since 21% exceeds the upper bound, even those who tend to deviate more as sellers concluded it was deceptive nonetheless.

In Study 4 (n = 143), we tested the notion of a “comfort zone” by directly asking participants to indicate a “reasonable range” of cheating from a seller’s perspective (i.e., upper and lower bounds). The design was the same as Study 2a, except that the salesperson told the customer the true rate 7% (i.e., being honest) or 21%. The purpose is to compare 21% with a baseline when the salesperson is actually honest. The results suggest that whether the seller was honest or deceptive did not influence the zone boundaries (p > .05). But the deviation in the perspective-taking task did: participants who cheated more had a significantly wider zone than those who did not cheat or cheated just a little (p < .01). Taken together, the results in five experiments suggest that the propensity to engage or tolerate deceptive behaviors can be bounded by perceived norms and perspective-taking.
SPECIAL SESSION SUMMARY
Invidious Comparisons: Multiple Sources of Unfairness in Comparisons to Prices Paid by Other Consumers
Laurence Ashworth, Queen’s University, Canada*
Lindsay McShane, Queen’s University, Canada

EXTENDED ABSTRACT
Imagine you have just purchased a new laptop. Now imagine you find out that your colleague purchased the same laptop at the same store, but, to your surprise, received a lower price. How would you react? Work on consumer research typically explains such reactions using the concept of fairness. Comparisons to prices paid by other consumers appear to be a particular potent source of (un)fairness (Haws and Bearden 2006). But why they should not be entirely clear.

Most work, consistent with the broad framework of equity theory (Adams 1965; Xia, Monroe, and Cox 2004), appears to assume that another consumer’s price serves as a marker for the price that you also deserved. Fairness, then, requires that customers pay the same price (Wagstaff 1994). Consistent with this logic, factors that affect deservingness, such as loyalty, mitigate the effect of differential pricing (Darke and Dahl 2003). But this perspective misses an important implication: sellers that charge different customers different prices likely convey something about the way they regard each of those customers. Specifically, we suggest that consumers charged a higher price likely feel discriminated against in a manner that suggests they are not respected by the seller, compounding the effect of the price discrepancy on perceptions of unfairness. The first two experiments test this idea by manipulating elements of the comparison to another consumer that should alter the extent to which the target consumer feels discriminated against. The final experiment investigates whether there are other, unique features of consumer comparisons that might also contribute to their importance.

Participants in Experiment 1 (n=275) read a scenario where they were asked to imagine that they had purchased a GPS for $249. They later discovered that another consumer had bought the identical product the following day for $179. Participants were provided with no information about consumers’ inputs – characteristics that might otherwise affect perceptions of deservingness. We varied whether the other consumer had purchased the product from the same versus a different store, and whether the lower price was a sale price or a regular price. We made two primary predictions: first, that comparisons to other consumers who had received a lower price from the same seller would be more unfair because consumers would be more likely to consider this discriminatory and disrespectful; second, that this effect would be mitigated when the other consumer’s price was a sale price because this is less suggestive of discrimination.

Respondents from an online panel participated in a 2 (Other Consumers’ Store: Same vs. Different) x 2 (Price Type: Sale vs. Regular) factorial design. Significant primary variables were perceptions of fairness (α = .88) and treatment (α = .88). Each was measured with three items along seven-point scales. Significant Store x Price interactions on fairness and treatment (Fs(1, 203) = 5.57, and 9.89 ps < .05, and .01) indicated the effect of Store was larger when the price was a regular price (vs. on sale). A Sobel test of the indirect path from Store to fairness via perceptions of fairness for at least three reasons. First, under certain conditions, consumers will interpret such comparisons as evidence of discrimination and disrespect. Second, as predicted by existing frameworks, they provide a straightforward indication of the outcome consumers deserve. Finally, such comparisons can also serve to highlight the lack of any real differences across consumers, exacerbating the subsequent impact of price discrepancies.

Discussion: The current work provided evidence that comparisons to other consumers are particularly important sources of fairness for at least three reasons. First, under
When One’s Gain is Another’s Loss: Examine Consumers’ Value and Fairness Perceptions
Lan Xia, Bentley University, USA*

EXTENDED ABSTRACT
Previous research in perceived fairness is typically conducted in the context of buyer-seller transactions where the focal consumer’s price influences the gain or loss of the seller but not other consumers (e.g., Bolton et al. 2003). However, there are contexts where one consumer’s gain is associated with another consumer’s loss and vice versa. For example, in retailing, lower prices for consumers may be achieved by cutting employee benefits. In health care, charging higher prices for certain consumers makes treatment possible for other consumers who can’t afford the care. Fairness issues in such contexts have not been investigated. In this research, I examine factors influencing fairness perceptions in such contexts and compare fairness with value perceptions and their relative influence on purchase intentions.

Price fairness and perceived transaction value are two closely related but different concepts (Xia et al. 2004). In assessing a price paid, fairness focuses on equity while transaction value focuses on psychological (dis)satisfaction. A good deal is not always perceived as the most fair and a bad deal is not necessarily an unfair price. The effect is moderated by personal gain/loss and social norms.

Using a scenario-based approach, two studies were conducted. Four price scenarios were designed: fees at a vacation resort, prices in a store, health care premiums, and prices of prescription drugs. For each scenario, I manipulated price variation (price increased or decreased by 20% from last purchase) and the reasons for the variation (no explanation provided and two different reasons). These explanations provided vary by the type of consumers being subsidized (charity or low income) or type of consumption (necessity or luxury). Each study was a 2 (price variation) x 3 (explanation) x 4 (contexts) mixed factor design. The four different contexts were manipulated within-subject while the other two factors were manipulated between-subject. In study 1, the dependent variable is whether the price the participant will pay is fair or unfair on a 7-point scale. In study 2, I measured participants’ emotional responses (positive and negative), transaction value (i.e., deal perception), perceived fairness, as well as intention to continue a relationship with the business.

Study 1 results showed that when no reasons are provided, fairness perceptions follow the egocentric nature of both concepts, a price decrease is perceived as both a good value and fair. When explanations are provided, the difference between value and fairness is significant. The reasons behind the price decrease influence fairness perceptions more significantly than perceived value. For example, a lower health insurance premium due to cutting low cost care for low income people is perceived as significantly less fair but the effect on perceived value is significantly smaller. In general, future purchase intentions are influenced by both value and fairness perceptions.

Across all scenarios, results suggest that for price increases, perceived value plays a significantly more important role while fairness’s role is either smaller or non-significant. For price decreases, fairness has a more important influence and the effect of perceived value is either non-significant or reduced.

This research sheds light on fairness perceptions and its comparison with perceived transaction value in the contexts where one consumer’s gain leads to another consumer’s loss. Results support the hypothesis that a good deal is not necessarily perceived to be fair while a fair price may not be the best deal. Fairness perceptions in these contexts are guided by social norms that consumers believe that each individual should observe. Such norms may vary by individual differences or different cultures, which will be examined in the future studies. This research also provides implications for public policy making as well as tactics of communicating price variations to consumers.

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EXTENDED ABSTRACT
Power—defined as the capacity to control one’s own and others’ resources and outcomes—has been argued to be one of the most ubiquitous psychological forces in social settings (Keltner, Gruenfeld, & Anderson, 2003; Magee & Galinsky, 2008). Importantly, the level of psychological power that any given individual possesses is easily subject to change, as it not only depends on chronic differences among individuals, but also on situational factors. The current research explores how people’s preference for status-related products is altered by both their state of power and their focus. When focused on feelings of power or powerlessness, a state of powerlessness leads to a preference for status-related products (Rucker and Galinsky 2008, 2009) due to a compensatory account. However, we put forth a novel hypothesis that, when focused on role associations of power (i.e. characteristics, expectation, or stereotypes associated with power), a state of high power leads to a greater willingness to acquire status-related products.

An expectation-confirmation perspective is offered as the foundation of this novel prediction. It seems that people develop and hold different expectations of who are associated with different levels of power. Expectations shape people’s interpretation of social events and also people’s behavior to confirm to existing expectations and stereotypes. In return, these confirmatory behaviors help to maintain people’s level of psychological power.

Two experiments were offered to test this novel hypothesis. The first experiment tested the hypothesis that focusing on feelings versus role associations of power have different influences on product evaluation. Replicating prior research, we predicted that when people are explicitly directed to focus on feelings about power, a compensatory process should be evoked and people with low power should have a greater willingness to pay for products with a strong association with status. When people are explicitly directed to focus on role associations of power, we should observe that people with high power have a greater willingness to pay for status-related products, a novel effect.

Experiment 1 (N=55) employed a 2(level of power: high versus low) x 2(feeing-focus versus role-focus) between subject design. To manipulate power, participants imagined being either a boss/an employee. To manipulate focus, during this task participants were asked to focus on “how they felt in this role” or “the behaviors and actions associated with this role”. The dependent variables used in this study were two types of willingness to pay measures. Participants first indicated their willingness to pay for the product in an online auction. They responded using a sliding scale where they could choose from 0% of the retail price to 120% of the retail price (see Rucker and Galinsky 2008, 2009). Next, participants were also asked to indicate their willingness to pay for the product in an open-ended question.

The results supported the hypothesis that low power people evaluated status-related objects more positively compared to high power people when focused on feelings of power, but this prior effect (Rucker and Galinsky 2008, 2009) was eliminated when people focused on role associations.

Experiment 2 (N = 86) employed a different power manipulation (episodic recall) and a different manipulation of role focus to increase validity and incorporated a baseline condition. The design of the study is a 2 (level of power: high versus low) x 2 (feelings versus role associations) plus one baseline condition between subject design. The manipulation of power was adapted from Galinsky et al. (2003), which consisted of a task that asked participants to recall an event in which either they had power over someone else or someone else had power over them.

Results demonstrated that there was a significant interaction effect of power on product evaluation, p=.001. Replicating past findings, participants in the low power condition showed a significantly higher willingness to pay compared to the high power condition when they were manipulated to focus on feelings, p=.048. In contrast, in the role associations condition, participants in the high power condition had a significantly higher willingness to pay compared to the low power condition, p<.001. When comparing the experimental groups with baseline, the results showed that when focusing on role associations, participants in the high power condition had a significant higher willingness to pay compared to the baseline condition, p=.003, whereas participants in the low power condition did not differ from baseline.

The present research helps to better define different associations with power and their effects on the consumptions of status-related products. While previous findings have demonstrated that low power people have a preference for status-related products in order to avoid the feelings of powerlessness (Rucker & Galinsky, 2008;2009), the current research identified a different consumption pattern when people focus on the role associations of power. The effect that high power people prefer status-related products as a confirmation to expectations and stereotypes under a certain focus on power (i.e. role associations) adds another dimension to the research of power and consumption.

REFERENCES
Power and Consumption: When Do the Powerful (less) Desire Status?


Satisfying Women's Status Desires: Role Of Money Attitude And Consumer Vanity In Status Consumption
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Samsinar Md Sidin, Universiti Putra Malaysia

INTRODUCTION
Status, as an intrinsic value is much sought after. People of all cultures seek status and status recognition. From the marketing perspective, it has been argued that marketing does not create these desires for status but it merely stimulates status consumption through advertisement. The desire for status is inherent as part of human behavior and preceded even before the onset of advertisement. Most individuals personally relate to social status as it can influence decision-making, social behavior and lifestyle preferences. Claassen (2008) highlighted the existence of status struggle, observed to be plaguing today’s modern consumer societies. People are caught in the web of competition seeking for positional or status goods. This trend was most apparent during the recent financial crisis which brought about decline in social status among the middle class groups when they suffered income losses from investment and unemployment. As economies start to recover from the financial crisis, consumers attempt to recover their status level prior to the crisis to compensate for status gap differences. One way consumers achieve status attainment is by way of consuming status goods to signal their status worth to others. Increased interests to consume for status emerge for social gains and social esteem (Shukla, 2010).

This fetish for status seeking has spread in the consumption world and has become notably prevalent especially among female consumers. The market for women is a potentially huge group with increasingly earning capabilities, who are status conscious and style hungry. Driven by emerging consumer culture and hedonistic lifestyle, marketers expect the emergence of female consumer’s pursuit of status in stimulating discretionary spending to help revive the slowdown in the economy (Economist, 2009). Across the Asian consumer markets, rising discretionary spending power of women is expected to be the key driver of economic growth (Euromonitor International, 2010). Across Malaysia and most parts of ASEAN, this spread of status consumption culture has become prominent. Malaysia has reached the show-off stage where status consumption is most prevalent, reflecting the level of affluence among Malaysian consumers (Danziger, 2004). If women are to drive the consumer market, it is imperative for businesses to understand their status motives that reflect their buying behavior as marketers target this emerging and important market segment.

Of significance is the issue of women seeking status through consumption which has grown in importance in light of the modern transformation of Malaysian women who have more economic and social influence. Although women react less strongly than men to a salient status symbol, they could view status differently due to situational and cultural factors (Huberman et al., 2009). New attitudes, values and lifestyles have evolved and transformed them into sophisticated and demanding consumers with higher expectations who are also vanity and status-seeking. Having experienced current high levels of education and active participation in the labor force, coupled with achieved success and ranks in their work life, the status conscious and materialistic working females are likely to exhibit differing money attitudes and this could impact status purchase behavior. Against the backdrop of the looming financial crisis, there is greater need to investigate the underlying money attitudes that relate to female status consumption.

Schor (2007) contends the project of self, driven by individual traits as motive to consume for status. This study investigates the concern for vanity as personality trait that could stimulate status consumption. Vanity has become increasingly prominent in a rather shy Asian culture even in some Eastern societies with strict dictates of cultural and religious beliefs. In an image-saturated environment, where advertising is seen as display of body imagery, physical appearances have taken centre stage. In the same vein, as women gain more economic independence, the need for recognition for one’s performance as an individual achievement could form the underlying motive for struggle to seek status. The role of physical and achievement vanity could explain this positional competition for status goods on the assertion of gaining status recognition. How far the role of vanity contributes to status enhancement warrants an investigation.

Malaysian women who have undergone mindset shift from the traditional role to non-traditional role could vary in their emerging status motives. As they become increasingly important spenders and active family decision makers, it would be appropriate to examine key demographic variables that influence status consumption. In the light of the transforming roles of the Malaysian women, the moderating effects of age, income levels and ethnicity on status consumption are examined.

STATUS CONSUMPTION
The fetish of status seeking has caught on in the consumption world and is not only the habit of the wealthy in developed countries but exists in all communities in the world (Kulman, 2004). Status consumption has become the cornerstone of a global consumer culture (Roberts, 2000) with consumers immersed in the pursuit of status through consumption of status products. Status consumption is defined in terms of behavioral tendency to value status, acquire and consume products that provide status to the individual (O’Cass and McEwen, 2004). The purchase of a product can increase an individual’s status through acquisition of status goods to impress others and through goods that facilitate the development of status characteristics such as beauty enhancement, increase in popularity and image enhancement to the owner (Ball and Eckel, 1996).

Money Attitude
People’s attitudes toward money are a summary of their life experiences with money in the past acquired through an individual’s socialization process, education, family social class, beliefs, and monetary habits (Furnham, 1984). People perceive, value and treat money differently supporting the view that there are individual differences in the meanings people attach to money. Money has subjective and affective meanings in which people develop attitudes and behavioural tendencies toward it (Mitchell and Mickel, 1999). Money has been viewed as a valuable
resource as it allows them greater independence and consequently, some amount of authority in a relationship. Money can be used to influence others and increase one’s autonomy and authority in a relationship, thus acting as a symbol of power (Lim and Teo, 1997, Tang, 1993). Power money attitude reflects an individual’s preoccupation with the importance about money and the belief that money is a source of power giving one freedom and status. Women of today have perceived themselves to be on equal footing with men given their improved socioeconomic status (Hira and Mugenda, 2000). Given that women attached different meanings to money and place different levels of importance of money in their life, it is anticipated that they are likely to exhibit differences in money attitudes.

Quality money attitude dimension centers on the behavior towards the purchase of quality goods. People subscribing to this attitude place a high value on quality for its own sake and believe that the more expensive the product, the higher its quality (Yamauchi and Templier, 1982). It relates to the sense of superiority and acquisitions through the use of money. Quality was cited as main factor influencing purchase decisions among Malaysians (Ong and Chan, 1999). Urban Malaysians indicated their beliefs in buying the best and paying more to get high-quality branded and luxury products to enhance their status. Profiled as “Modern Middles”, they were found to be keen possessors of quality and prestigious goods (Teo, 2003). Females were more likely than males to exhibit positive attitude towards quality when spending significantly, attributed to the purchase and decision making role that most modern Malaysian women perform for their family (Ong and Tee, 2004).

Money motivates people to work harder and longer and this goal-directed behavior has positive outcomes on self-sufficiency (Vohs et al., 2008). Malaysian women have been given equal education and employment opportunities and are more westernized today than before; it appears they are achievement oriented. Women have been found to score equally with the male counterparts in achievement money attitude (Lim and Teo, 1997).

Money is equated to the success, status and achievement in life. Individuals seek status goods to maintain their sought-after social position and exhibit desires to accumulate status goods. Money has been used as a tool to impress others and confers power allowing the accumulation of material possessions. The more money one has, the greater the ability to secure more possessions raising a person’s value in the eyes of the public. Acquisition of social status is associated with purchasing goods to the extent of indulging in compulsive spending (Roberts and Sepulveda, 1999). Status consumption is closely related to ‘Possession-defined Success’ dimension under the materialism concept where consumers judge their own and others’ success by the number and the quality of possessions accumulated (Richins and Dawson, 1992). In line with this spending disposition that possessions are made in terms of achievement values, there is a high tendency this achievement attitude will lead to an increased interest in status consumption (Roberts, 2000). Women also use shopping as a method of celebration be it their success or others’ success (Hira and Mugenda, 2000). The need for and access to specific status products, like ‘dress for success’ clothing or services like taking a holiday vacation or entertainment, seem obviously related to the conditions of career employment and to the socioeconomic resources associated with it (Lavin, 1993). Based on the above evidence, it is hypothesized that:

H1: Women’s achievement, power and quality money attitude have positive relationship with status consumption.

Consumer Vanity

There has been growing interest among consumer researchers to view consumer vanity as a self-identity concept that can induce not only physical but achievement views and concerns. Such predispositions are deemed as positive traits and could affect personal levels of well-being and consumption motives in the marketplace. Physical vanity comprises a somewhat excessive concern for physical appearance and/or a positive (and perhaps inflated) view of physical appearance. Similarly, in achievement vanity there is an excessive concern for and/or a positive (and perhaps an inflated) view of one’s personal achievements (Netemeyer et al., 1995). Durvasula and Lyonski (2008) documented that concern for physical appearance is higher in Eastern cultures than Western cultures. It has surfaced notably among Indian and Chinese consumers in emerging economies. Physical appearance was exceptionally prominent among South Koreans (Watchravesringkan, 2008). Women across all cultures were found to be more concerned about their physical appearance than men (Wang, 1999).

In terms of achievement vanity, individuals with higher personal achievement are likely to be driven by status and success because their achievements tend to reflect success (Netemeyer et al., 1995). In the cultural-context, it has been embedded that Western consumers are more concerned with achievement than Asians, but achievement vanity is gaining popularity among the Asian societies (Durvasula, Lyonski and Watson, 2001). Asians are expressing more concerns and demonstrating about their personal achievements (Durvasula and Lyonski, 2008; Watchravesringkan, 2008). Vanity trait has shown to have strong relationships to consumption behavior. People who are achievement-oriented tend to be price-sensitive and prestige-conscious, buying only quality and expensive goods that make them feel superior and attract people’s attention. Those who cared about achievement also cared about clothing and status and paid more attention to high-priced goods to achieve recognition by others (Chang et al., 2008). Women’s preoccupation with physical appearance involves the use of clothes and cosmetics to enhance their physical appearance, thus placing more emphasis on the need to buy expensive goods to demonstrate their status (Chang et al., 2008). The concern was not only their physical features when viewed by others but also the status concern of their social standing in the community (Netemeyer et al., 1995). With more East Asian women’s obsession with physical vanity, this has supported a global cosmetic industry and it has grown swiftly into a multi-million dollar industry (Ings-Chambers, 2007) and rising discretionary spending not only on cosmetic surgery but services such fitness, beauty, travel, dining and entertainment to enhance their self-image and self-acceptation (Durvasula and Lyonski, 2008). Therefore it is expected that Malaysian female consumers who have a penchant for vanity are more likely to engage in status consumption. Based on consistent evidence from past findings on vanity, it is hypothesized that:

H2: Women’s physical and achievement vanity is positively associated with status consumption.
Moderating Effects Of Demographics On Status Consumption Relationships

Individuals perceive status differently due to situational and cultural factors. Culture, age groups, gender, income levels and ethnic background influence status consumption desires (Chao and Schor, 1998; Eastman et al., 1997). In the aftermath of the recent economic turmoil, as consumers who have experienced widening income and status disparity attempted to recover their socioeconomic status, this in turn has an impact on purchasing behavior. Similarly, Malaysian women from different generations who have undergone socialization process and economic independence vary in their emerging status motives. They could differ in their purchase motivations and decision-making styles. In the light of the changes in the female consumer segment, the moderating role of female demographics is explored. Three key demographic variables namely age, income levels and ethnicity are examined. In view of the above evidence, it is hypothesized that:

H1: Women’s age, income level and ethnicity moderates the effects of money attitude and status consumption.

H2: Women’s age, income level and ethnicity moderates the effects of consumer vanity and status consumption.

METHODOLOGY

The sample of the study comprised 444 Malaysian working females from the private and public sector, concentrated in the urban areas. Working women in the services sector were used as study subjects as they represent more than one-third of female working population in Malaysia (National Statistics Malaysia, 2006). Quota sampling stratified according to urban ethnic composition, income level and job background was used to ensure sample representativeness. Samples comprised female working groups who form the major segment of consumers and are likely to have experience major transformation in their hybrid lifestyles. Data was collected using survey approach and were self-administered. The measurement comprised a composite money attitude scale by Yamauchi and Temppler (1982); Furnham (1984) and Tang (1992). Consumer Vanity was measured using a modified and reduced 10-item scale by Netemeyer et al., (1995) that tapped into female concerns for physical vanity and achievement vanity. Finally Status Consumption Scale by O’Cass and McEwen (2004) and Eastman et al., (1999) measured interest to consume for status and individual differences towards status.

DATA ANALYSIS AND RESULTS

The sample surveyed included females who had incurred spending on one or more items of status products in the last twelve months. Among the respondents, 45.5% identified themselves as Malays, 43.1% as Chinese and 12.4% as Indians. This is typical and consistent of the Malaysian urban ethnic composition. In terms of age, 43.9% females were in the young age group from 25 to 30 years and 55.3% comprise older working group from 31 to 55 years. Their occupational background profile matched the profile of urban Malaysian female working population with the majority in managerial (20.9%) and administrative positions (19.1%). 60.3% had received a bachelor’s degree or higher. Income distribution showed 51.5% receiving monthly income of RM4000 or less while 48.6% earned above RM4000. This is consistent with the income pattern of urban working females in Malaysia.

From a basket of nine selected products, jewelry as a specialty product (33.3%), holiday vacation (54.5%) as credence service and dress (77.7%) as shopping product were the most frequently purchased status products in the last twelve months. Women regard jewelry, dress and vacation to possess high status signaling qualities that could symbolize status symbols, spending power and communicate status to others.

Exploratory Factor Analysis (EFA) was conducted to generate the underlying factors for money attitude (MA) and consumer vanity (CV). Subsequently, using a two-step approach in Structural Equation Modeling (SEM) by Anderson and Gerbing (1988), confirmatory factor analysis (CFA) was conducted on the measurement model followed by path analysis to test the structural model and hypotheses. EFA and CFA yielded a 3-factor structure comprising 10 items for MA and a 2-factor dimension for CV with 10 items. Status consumption (SC) generated a unidimensional construct with 6 items. Items with low factor loadings and error term misspecification were dropped from the analysis to improve model fit Scales were satisfactory and met acceptable limits for reliability and validity. Results show variance extracted (VE) for scale items ≥ .50 and construct reliability (CR) >.70 (Fornell and Larcker’s criteria, 1981) indicating convergent validity was achieved. Coefficient α (0.80 to 0.91) demonstrates internal consistency of the constructs. All average VE (0.57 to 0.68) between constructs was greater than squared correlations estimates (0.11 to 0.40), indicating discriminant validity. Results are as shown in Table 1.

The structural model had acceptable fit statistics: \( \chi^2 (444) = 524.319, \text{df}=287; \chi^2/\text{df}=1.827; \text{GFI}=0.914, \text{AGFI}=0.895, \text{TLI}=0.962; \text{CFI}=0.966; \text{RMSEA}=0.043; \text{RMR}=0.050 \). All factor loadings were significant (p≤0.001) and also substantial (≥0.50). Path analysis indicates positive and significant relationships between achievement, power and quality money attitude with SC. MA dimension was positively associated to SC (β = .44, p<0.05). Thus H1 was supported. Physical and achievement vanity had positive relationships with consumer vanity. CV was found to be a significant predictor of status consumption (β = .21, p<0.01). H2 was thus supported. Figure 1 presents the structural model and Table 2 shows path coefficients on the relationships between MA and CV with SC.

Multigroup analysis in SEM with factor structure invariance was utilized to determine the moderating effects of ethnicity, income and age on status consumption relationships. Prior to testing the hypothesized model for demographic variables, items of subscales measuring the dimensions of the two second-order constructs of MA and CV were summated as indicators. Such procedures have been employed for ease of reducing parameters estimated and based on unidimensionality of components of measures in the study (see example in Bagozzi and Edwards, 1998; Nguyen, Nguyen and Barrett, 2007). Next factor structure invariance was tested by estimating two models: free and constrained model (Byrne, 2010).
Table 1: Standardised Loadings, Reliability and Validity

<table>
<thead>
<tr>
<th>Scale Items</th>
<th>Item Label</th>
<th>Standardised Loadings</th>
</tr>
</thead>
<tbody>
<tr>
<td>MONEY ATTITUDE (MA)</td>
<td></td>
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</tr>
<tr>
<td>Achievement Money Attitude (AMA):</td>
<td>MA1</td>
<td>.723</td>
</tr>
<tr>
<td>ρc = 0.83; ρve = 0.55; α= 0.819</td>
<td></td>
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<tr>
<td>I believe that the amount of money</td>
<td></td>
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<tr>
<td>that a person earns is closely</td>
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<tr>
<td>related to his/her ability and</td>
<td></td>
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<tr>
<td>effort.</td>
<td></td>
<td></td>
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<tr>
<td>Money represents one’s achievement.</td>
<td>MA2</td>
<td>.832</td>
</tr>
<tr>
<td>Money is a symbol of success.</td>
<td>MA3</td>
<td>.838</td>
</tr>
<tr>
<td>I believe that a person’s salary</td>
<td>MA4</td>
<td>.537</td>
</tr>
<tr>
<td>is very revealing in assessing</td>
<td></td>
<td></td>
</tr>
<tr>
<td>their intelligence.</td>
<td></td>
<td></td>
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<tr>
<td>Power Money Attitude: (PMA) ρc =</td>
<td>MP1</td>
<td>.792</td>
</tr>
<tr>
<td>0.58; ρve = 0.58; α=.805</td>
<td></td>
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<tr>
<td>Money can give you the opportunity</td>
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<tr>
<td>to be what you want to be.</td>
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<td></td>
</tr>
<tr>
<td>Money gives you independence and</td>
<td>MP2</td>
<td>Deleted item</td>
</tr>
<tr>
<td>freedom.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Money means power</td>
<td>MP3</td>
<td>.805</td>
</tr>
<tr>
<td>Money will help you express your</td>
<td>MP4</td>
<td>.700</td>
</tr>
<tr>
<td>competence and abilities</td>
<td></td>
<td></td>
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<tr>
<td>Money can bring you many friends.</td>
<td>MP5</td>
<td>Deleted item</td>
</tr>
<tr>
<td>Quality Money Attitude (QMA):</td>
<td>MQ1</td>
<td>Deleted item</td>
</tr>
<tr>
<td>ρc = 0.81; ρve = 0.59; α=.831</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I am willing to pay more to get</td>
<td></td>
<td></td>
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<tr>
<td>the very best.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I buy top quality products.</td>
<td>MQ2</td>
<td>.717</td>
</tr>
<tr>
<td>I pay more for things I know I</td>
<td>MQ3</td>
<td>.730</td>
</tr>
<tr>
<td>have to, in order to get the best</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I buy brand name products</td>
<td>MQ4</td>
<td>.836</td>
</tr>
<tr>
<td>I buy the same expensive items</td>
<td>MQ5</td>
<td>Deleted item</td>
</tr>
<tr>
<td>when I shop.</td>
<td></td>
<td></td>
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<tr>
<td>CONSUMER VANITY (CV)</td>
<td></td>
<td></td>
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<tr>
<td>Physical Vanity (PV):</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ρc = .91; ρve =-.68; α=.907</td>
<td>PV1</td>
<td>.897</td>
</tr>
<tr>
<td>The way I look is very important</td>
<td></td>
<td></td>
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<tr>
<td>to me.</td>
<td>PV2</td>
<td>.931</td>
</tr>
<tr>
<td>I am very concerned about my</td>
<td></td>
<td></td>
</tr>
<tr>
<td>appearance.</td>
<td>PV3</td>
<td>.812</td>
</tr>
<tr>
<td>Looking my best is worth the</td>
<td></td>
<td></td>
</tr>
<tr>
<td>effort.</td>
<td>PV4</td>
<td>.827</td>
</tr>
<tr>
<td>It is important that I always</td>
<td></td>
<td></td>
</tr>
<tr>
<td>look good.</td>
<td>PV5</td>
<td>.602</td>
</tr>
<tr>
<td>People notice how attractive I am.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>My looks are very appealing to</td>
<td>PV6</td>
<td>Deleted item</td>
</tr>
<tr>
<td>others.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Achievement Vanity (AV): ρc = .88</td>
<td>AV1</td>
<td>.716</td>
</tr>
<tr>
<td>; ρve = .60; α=.883</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I want others to look up to me</td>
<td></td>
<td></td>
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<tr>
<td>because of my accomplishments.</td>
<td>AV2</td>
<td>.743</td>
</tr>
<tr>
<td>I am more concerned with</td>
<td></td>
<td></td>
</tr>
<tr>
<td>professional success than most</td>
<td>AV3</td>
<td>.818</td>
</tr>
<tr>
<td>people I know.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Achieving greater success than</td>
<td></td>
<td></td>
</tr>
<tr>
<td>my peers is important to me.</td>
<td>AV4</td>
<td>.837</td>
</tr>
<tr>
<td>I want my achievements to be</td>
<td></td>
<td></td>
</tr>
<tr>
<td>recognized by others.</td>
<td>AV5</td>
<td>.750</td>
</tr>
<tr>
<td>My achievements are highly</td>
<td></td>
<td></td>
</tr>
<tr>
<td>regarded by others.</td>
<td>AV6</td>
<td>Deleted item</td>
</tr>
<tr>
<td>Others wish they were as</td>
<td></td>
<td></td>
</tr>
<tr>
<td>successful as me.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>STATUS CONSUMPTION (SC): ρc = .90</td>
<td>S1</td>
<td>Deleted item</td>
</tr>
<tr>
<td>; ρve = .61; α=.904</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I would buy a product just because</td>
<td></td>
<td></td>
</tr>
<tr>
<td>it has status.</td>
<td>S2</td>
<td>.708</td>
</tr>
<tr>
<td>I am interested in new products</td>
<td></td>
<td></td>
</tr>
<tr>
<td>with status.</td>
<td>S3</td>
<td>.731</td>
</tr>
<tr>
<td>I would pay more for a product</td>
<td></td>
<td></td>
</tr>
<tr>
<td>if it had status.</td>
<td>S4</td>
<td>Deleted item</td>
</tr>
<tr>
<td>The status of a product is</td>
<td></td>
<td></td>
</tr>
<tr>
<td>irrelevant to me.</td>
<td>S5</td>
<td>.664</td>
</tr>
<tr>
<td>A product is more valuable to me</td>
<td></td>
<td></td>
</tr>
<tr>
<td>if it has some snob appeal</td>
<td>S6</td>
<td>.850</td>
</tr>
<tr>
<td>(prestige)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Status importance to me</td>
<td>S7</td>
<td>.818</td>
</tr>
<tr>
<td>Status enhance image</td>
<td>S8</td>
<td>.873</td>
</tr>
<tr>
<td>I am interested in status</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

ρc = Construct reliability; ρve = Average Variance Extracted; α= Cronbach’s Alpha
Table 2: Path Coefficients of Structural Model

<table>
<thead>
<tr>
<th>Paths</th>
<th>Standardised Estimates</th>
<th>t-value</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>MA → QMA</td>
<td>.67</td>
<td>9.13</td>
<td>.001</td>
</tr>
<tr>
<td>MA → AMA</td>
<td>.84</td>
<td>8.66</td>
<td>.001</td>
</tr>
<tr>
<td>CV → AV</td>
<td>.86</td>
<td>9.82</td>
<td>.001</td>
</tr>
<tr>
<td>MA → SC</td>
<td>.44</td>
<td>2.45</td>
<td>.014</td>
</tr>
<tr>
<td>CV → SC</td>
<td>.21</td>
<td>4.88</td>
<td>.001</td>
</tr>
</tbody>
</table>

Figure 1: Structural Model (Standardized Estimates)

Table 3: Parameter Estimates for Female Demographics

<table>
<thead>
<tr>
<th>Ethnic Groups</th>
<th>Malay</th>
<th>Chinese</th>
<th>Chi-distance test difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paths</td>
<td>Est (SE)a</td>
<td>t-value</td>
<td>p-value</td>
</tr>
<tr>
<td>MA → SC</td>
<td>.19 (.033)</td>
<td>5.78</td>
<td>.01</td>
</tr>
<tr>
<td>CV → SC</td>
<td>.05 (.022)</td>
<td>2.40</td>
<td>.02</td>
</tr>
<tr>
<td>Age Groups</td>
<td>Younger Group</td>
<td>Est (SE)a</td>
<td>t-value</td>
</tr>
<tr>
<td>Paths</td>
<td>.14 (.032)</td>
<td>4.313</td>
<td>.001</td>
</tr>
<tr>
<td>Income Group</td>
<td>Higher Income Group</td>
<td>Est (SE)a</td>
<td>t-value</td>
</tr>
<tr>
<td>Paths</td>
<td>.30 (.046)</td>
<td>6.378</td>
<td>.001</td>
</tr>
<tr>
<td>CV → SC</td>
<td>.05 (.02)</td>
<td>2.275</td>
<td>.023</td>
</tr>
</tbody>
</table>

a Unstandardised Estimates with Standard Errors
MODERATING EFFECTS OF FEMALE DEMOGRAPHICS

In terms of testing the moderating effects of ethnicity, income and age, there were two distinct groups for each. Ethnic groups consist of Malays and Chinese, income was divided into higher (>RM4000) and lower income group (<RM4000) and age comprise younger group (25 to 30 years) and older group (>30 years). Results shown in Table 3 reveal no significant differences among Malay and Chinese female consumers in terms of money attitude- and consumer vanity-status consumption relationships (χ² = 8.40; Δdf = 16; p>0.05). Young and older age groups of females (χ² = 8.26; Δdf = 8; p>0.05) also did not differ significantly. Similarly for income groups, nonsignificant χ² difference (χ² = 7.78; Δdf = 8; p>0.05) was obtained across both low income and high income subsamples. Thus H₃ and H₄ were not supported.

DISCUSSION AND IMPLICATIONS

Evidence suggests women’s discretionary spending commonly expended on status products such as vacation, dress, and jewelry. To women, these products had high status appeal and status signaling capabilities. Consistent with previous findings, those with high concern for physical vanity tend to be materialistic towards clothing and cosmetics to enhance their physical appearance and social identity purposes (Karpova, 2007). Individuals with high achievement vanity favored status products to gain recognition and status (Chang et al., 2008). People are willing to incur personal cost to present a desired image, hence purchase prestige goods to boost self-image, impress others and reinvent themselves with the help of novel and expensive accessories (Sedikides et al., 2007). Findings provide an insight into the relationships between vanity and status consumption behavior from a female perspective of an Eastern and Asian culture. Urban Malaysian women are not only concerned about physical appearance but equally concerned about professional achievement. One major reason could be their mindset change accounted by the impact of changes in socio-cultural environment. Globalization and westernization have also influenced how women from Eastern culture place emphasis on vanity, commonly assumed to be the domain of Western culture.

Women’s money attitudes were most related to esteem needs (Oleson, 2004). Money is used to boost their self-esteem and to reflect its symbolic ability to enhance status. To women, money is a symbol of her success and her salary reflects her intelligence and accomplishment (Lim and Teo, 1997). Findings conform to previous research that such attitudes are apparent in urban Malaysian women due to improved economic social status and urban lifestyles (Teo, 2003). Women do spend money in ways, which portray their status. Money is a symbol of success and status. High social status could stimulate excessive spending (Saad et al., 2009). One plausible explanation for this is the prosperity and affluence experienced by these working females.

The study lends theoretical support to the arguments by Schor (2007) on whether status models are still useful in today’s consumer society. Findings from this study offer justification that status is relevant and forms an integral part in today’s globalized, mobile and egalitarian consumer society. Findings are in support of the contention that female status consumption is not about conformism in consumption or to ‘keep up or outperform others’ but it is about identity creation and pursuit of self-concept. In this aspect individual traits such as vanity and attitude towards money are associated to status-seeking behavior.

Findings contribute to the domain of status construct with money attitude and vanity as antecedents of status consumption. The significant effect of vanity supports the marketing perspective that there is a link between vanity and status. To women, being vanity-conscious essentially lead to status-seeking. One plausible explanation is how one perceives and views about vanity. It appears Malaysian women show a stronger concern for achievement vanity than physical vanity. In this instance, vanity is perceived as a positive view of self pride and self presentation thus they strive to purchase status goods to enhance self image and impress others. This is supported by Raskin et al.’s (1991) work on the relationship between vanity and self esteem. If an individual’s concern for vanity contributes to healthy self-esteem where independence and achievement precede one’s appearance, then consumption of status goods elevate one’s image positively with admiration and pride (Khalil, 2000).

Despite the dampening effects of the recent global financial meltdown, Malaysian women showed optimistic intentions to consume for status. In particular, Malaysian women believed strongly that money is a symbol of success, power and fascination with quality increased their interest to consume for status. This is contrary to earlier studies that showed women in general were less obsessed with money and tended not to view money as a source of power (Teo, 2003; Hira and Mugenda, 2000). Malaysian working women have experienced increase in disposable incomes and gained financial independence. This has translated into spending on status goods such as travel, entertainment, financial and health services to enhance their well-being. Their personal relationships with money and status can be explained by esteem needs as part of basic human needs. Past research supported this view that money attitudes were most related to esteem needs (Oleson, 2004). Findings were also supported by past evidence in Asian females who had more symbolic views of money compared to their Western counterparts (Masuo et al., 2004; Lim and Teo, 1977). Evidence of stronger obsession with money was most notable after the Asian Financial Crisis (Lee and Lim, 2001). Hence, the current global financial crisis could have strengthened individual’s money attitudes and coupled with status decline, intensified status desires, thereby stimulating status consumption intentions.

Past studies on demographic correlates with status consumption yielded mixed results in different emerging and developing markets. Age, income and ethnicity were found to be weak moderators. Findings suggest the urban Malaysian working female as a culturally homogenous group with personality traits and attitude driving interest to consume for status. Findings conform to previous research by Eastman et al., (1999) that status consumption is a global phenomenon that is not culture- and ethnic-specific. Conversely, the tight economic conditions that exacerbated status decline resulted in greater emphasis on the pursuit of subjective status regardless of income level, age or ethnicity influence. This could have accounted for the weak influence of demographic predictor variables. Seeking status acts as an incentive and motivating force to social behavior especially when social disparities widen (Waytz, 2009). High and low status individuals react differently in situations when their status is threatened (Henry, 2009). Thus the antecedent-status consumption relationships are influenced by situational factors. In sum, the psychology of status is intriguing. Individuals from all cultures seek status
and status recognition in which each individual react differently in their status motivations. The concept of psychology upholds that the pursuit of subjective status depends on variables (Hyman, 1942).

Findings have important marketing implications. Since women today play a much more important role as consumers than they did in the past and have secured more financial independence and the clout to participate in household purchasing decisions that had been the sole domain of men, their status motives have evolved. Of interest to marketers is the burgeoning market for status goods coming from women’s increasing share of discretionary spending on status goods and services. The female market today cannot be identified as a single market segment but an entire market. The market of status-conveying goods can be considered as a distinct female consumer segment based on the amount of discretionary income expended. Retailers and manufacturers now must consider women when marketing household goods, cars, insurance, fitness, personal travel and entertainment.

Understanding women’s motives behind the predisposition to consume for status is about their self-concept, individual traits and achievement orientations. This adds to the knowledge base towards developing gender-bending marketing strategies such as gender-bending for brands that allow women to express and boosts their self and status appeal. Understanding female status motives is vital for product development, positioning strategies and marketing communication. Communicating status in the female market requires special caution with appropriate positioning appeals that depict women’s success, power, achievement and high quality.

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The Effects of Consumer Personality on Fashion Consciousness and Prestige Sensitivity
Riza Mulyanegara, Swinburne University, Australia*

ABSTRACT
This paper aims to propose a conceptual framework on the relationship between consumer personality traits, fashion consciousness, and prestige sensitivity in the context of Gen Y fashion market. This study put forward a number of propositions which are subject to empirical testing in future studies. First, it was proposed that there is a significant association between consumer personality and prestige sensitivity. The associated hypotheses stated possible relationships between each element of The Big Five” construct and prestige sensitivity. Second, it was proposed that there is a significant association between consumer personality and fashion consciousness. Finally, it was proposed that fashion consciousness mediates the relationship between consumer personality and prestige sensitivity.

INTRODUCTION
Over the past few decades, marketing researchers have attempted to examine the psychological antecedents that drive prestige brand shopping behavior. One of the most widely discussed concepts in the study of prestige brand shopping behavior is prestige sensitivity”, which is defined as favourable perceptions of price, based on the feelings of prominence and status that higher prices signal to other people about the purchaser” (Lichtenstein, Ridgway, and Netemeyer 1993, p.236). Highly prestige-sensitive consumer purchase an expensive brand of clothes not because of quality perceptions per se, but because of their perception that relevant others will perceive the purchase decision as reflective of internal traits and the socioeconomic status of the purchasers (Bao and Mandrik 2004).

Fashion consciousness refers to “a person’s degree of involvement with the styles or fashion of clothing...characterized by an interest in clothing and fashion, and in one’s appearance” (Nam et al. 2007, p.103). Fashion consciousness has been identified as an important dimension of a person’s lifestyle that affects purchase decision and consumption behavior (Sproles and Kendall 1986; Wells and Tigert 1971). People who are highly fashion conscious may pay more attention to the image portrayed by prestige brands and therefore may be more prestige-sensitive than those who are less fashion conscious. Despite the potential associations between fashion consciousness and prestige sensitivity, little studies have been devoted to examine the relationship between the two concepts.

Consumer personality plays an important role in fashion marketing as it is argued that consumers are highly influenced by their self-concept [which is a function of personality] when it comes to fashion shopping behavior (Piacentini and Maier 2004). While studies in the past have attempted to use personality traits as a predictor of fashion shopping behavior (Goldsmith 2002b; McIntyre and Miller 1992; Summers, Belleau, and Xu 2006), little studies have been done to examine the role of consumer personality traits in affecting prestige preferences. With prestige sensitivity as the focal construct, this study seeks to propose a conceptual framework on the relationship between consumer personality traits, fashion consciousness, and prestige sensitivity.

BACKGROUND AND PROPOSITIONS
Consumer Personality: The Big Five
The marketing literature reveals mixed results in regard to the relationship between consumer personality and fashion consumption. Studies by McIntyre and Miller (1992) suggested that personality traits moderate individual behavior in fashion consumption. In addition, Goldsmith (2002a) found that frequent purchasers of clothing possess distinctive personality traits compared to consumers with lower frequency consumption patterns. Another study, however, found no significant relationship between personality and purchase intention within the context of controversial luxury fashion products (Summers et al. 2006).

The Big Five model is regarded as one of the primary benchmarks in the trait theory of personality. The model allows researchers to examine individual differences based on different trait factors that correlate each other within five distinct personality dimensions, which are as follows (Goldberg 1990): Neuroticism: Assesses emotional instability (e.g. calm vs. worried), Extroversion: Assesses the quantity and intensity of interpersonal interaction (e.g. reserved vs. sociable), Openness to Experience: Assesses the extent of proactive seeking and appreciation of experience, toleration and exploration of the unfamiliar (e.g. conventional vs. curious), Agreeableness: Assesses the quality of one’s interpersonal orientation along a continuum from compassionate to antagonistic (e.g. suspicious vs. trusting), and Conscientiousness: Assesses an individual’s degree of organization, persistence, and motivation in goal-directed behavior (e.g. aimless vs. organized).

Prestige Sensitivity
Prestige sensitivity is originally conceptualized as part of the multi-dimensional price perception constructs which also consists of value consciousness, price consciousness, coupon proneness, sales proneness, price mavenism, and price-quality schema (Lichtenstein et al. 1993). Under Lichtenstein, et al (1993) conceptualization, prestige sensitivity is considered as positive role of price perceptions because consumers perceive higher prices as a cue for prestige that encourages purchasing behavior. Bao & Mandrik (2004) found that consumers who are highly prestige sensitive buy fewer store brands than national brand, because store brands do not provide a feeling of prestige although it may exhibit good value. In a similar tone, Moore and Carpenter (2006) found that prestige sensitivity positively impacts patronage for the upscale department store and deters patronage for mass merchants (Moore and Carpenter 2006). Within the fashion market, prestige sensitivity was found to be significantly associated with brand preferences and mediates the relationship between consumer values and brand preferences (Mulyanegara and Tsarenko 2009).

The Big Five – Prestige Sensitivity
An overview of the literature found that at least two studies have been conducted to examine the significance of personality traits on prestige sensitivity. Xu et al.(2004) utilized Self-Confidence (SCF) and Public Self-Consciousness (SCS) to measure consumer personality traits and relate it to prestige sensitivity. The study found...
also found to be related to fashion consciousness (Wan, Yuon, and Fang 2001). Gould and Stern (1989) found that fashion conscious females tend to focus more on their own external appearance (public self-consciousness) whereas fashion conscious males tend to focus more on their self-identity and internal manhood (private gender-consciousness).

The Big Five – Fashion Consciousness

In light of the findings of previous studies that linked personality traits to fashion consciousness (Stranforth 1995; Summers 1970), this study proposes that there is significant associations between consumer personality and fashion consciousness. It is postulated that certain personality traits may be significantly associated with high level of fashion consciousness. For instance, highly extrovert people value social interaction and thus may be more concerned with how others perceive the way they dressed. People who are highly conscientious may want to reflect their ‘successful’ image through the way they dressed and thus may see fashion shopping as a high involvement purchase decision. This leads us to the following proposition and hypotheses

**Proposition 2:** There is a significant association between consumer personality and fashion consciousness.

**P2a:** There is a significant association between ‘neuroticism’ and fashion consciousness

**P2b:** There is a significant association between ‘extraversion’ and fashion consciousness

**P2c:** There is a significant association between ‘openness to experience’ and fashion consciousness

**P2d:** There is a significant association between ‘agreeableness’ and fashion consciousness

**P2e:** There is a significant association between ‘conscientiousness’ and fashion consciousness

Fashion Consciousness – Prestige Sensitivity

Shopping activities and preferences of fashion conscious people are driven by the motives of looking more attractive and thus enhance their self-esteem (Bloch and Richins 1992). Prestige brands provide a means in which consumers can express their ideal self-concept. Thus, highly fashion-conscious consumers may pay more attention to the prestigious image portrayed by fashion brand than those who are less fashion-conscious. The following hypothesis is thus proposed:

**P3:** There is a positive relationship between fashion consciousness and prestige sensitivity

Fashion Consciousness As The Mediating Variable

According to Baron and Kenny (1986), a variable performs a mediating role if it accounts for the relationship between the antecedents and the outcome variables. Accordingly, we contend that although certain personality traits may be significantly associated with high level of prestige sensitivity, it is consumers’ level of fashion consciousness that accounts for the relationship between consumer personality and prestige sensitivity. A person who is highly conscientious may have tendencies to prefer prestige brands because of the ‘successful’ image portrayed by the brands. However, with fashion as the research context, this argument will only be relevant if the person also has high level of fashion consciousness. On the other hand, a highly conscientious person with low level of fashion consciousness may reflect their self-concept through other means of possessions (such as cars and houses) and lifestyle. This leads us to the following hypothesis:
P4: Fashion consciousness mediates the relationship between consumer personality and prestige sensitivity

CONCEPTUAL MODEL
Our conceptual model proposes to examine whether FCS mediates the relationship between ‘personality traits’ and ‘prestige sensitivity.’ (Figure 1).

DISCUSSION
While previous research has examined the phenomenon of ‘prestige sensitivity’ from various psychological and sociological perspectives, a limited amount of effort has been devoted to examine the relationship between personality traits, prestige sensitivity, and fashion consciousness.

The conceptual framework provides several interesting implications for future research. In terms of theoretical implications, this study is one of the few studies (Mandrik et al. 2005; Xu et al. 2004) that observe the concept of ‘prestige sensitivity’ through the use of personality traits as the antecedent construct. The dynamic associations between certain personality traits, fashion consciousness, and prestige sensitivity proposed in this study have contributed to the body of knowledge in this area. In particular, this study has extended self-congruity theory (O’Cass and Choy 2008; O’Cass and Frost 2002) in the context of fashion market.

Empirical studies to follow up the conceptualization in this study could offer useful insights for managers. Personality-based segmentation can be implemented by devising and promoting different types of brand appeals to target different personality traits. For example, positioning a brand with a ‘successful’ or ‘exclusive’ image may attract people with ‘conscientious’ tendencies (Mulyanegara, Tsarenko, and Anderson 2009). On the other hand, highly extrovert individuals are less attracted to brands that can make them ‘stand out’ from their peers. Thus, managers of prestige brands targeting these individuals should portray ‘fun’ or ‘sociable’ image that, despite the prestigious appeals of the brand, can be relevant to the extrovert individuals without making them feeling ‘stand out’ from their peers.

Another important implication was the mediating role of fashion consciousness in the structural model. This suggests that brand appeals to ‘extraversion’ and ‘agreeable’ personality traits are only effective if the target segments have high level of fashion consciousness. Therefore, brand managers should carefully examine the fashion consciousness level of their target segment before implementing any brand positioning strategies. Directing prestige brand appeals towards those with high level of fashion consciousness could enhance the effectiveness of the brand positioning strategy as marketing efforts are directed to those who have favorable perceptions towards prestige brands.

REFERENCES


Bigger is not Always Better: The Influence of Spokesperson on Consumers’ Response to Conspicuous Consumption
Miao Hu, Northwestern University*
Derek Rucker, Northwestern University

EXTENDED ABSTRACT

In the world of marketing, products are often demonstrated by spokespeople as a means of display, such as models wearing a certain brand of apparel. In the eyes of consumers, does the presence or absence of an individual wearing the product affect their preference and willingness to pay for the product? Furthermore, does it matter whether the product being featured is more or less conspicuous? The current research provides initial insight into these questions in relation to consumers’ subjective level of status.

Although there are many motives underlying the consumption of conspicuous products, prior work has shown that people lower in the social hierarchy prefer more conspicuous consumption as a means to attain status. As a consequence, those lower in the social hierarchy tend to prefer status-related goods (Rucker and Galinsky, 2008) and goods that are visibly seen by others (Charles et al. 2009; Rucker and Galinsky 2009). However, to date, no research has examined how conspicuous products being worn by others are evaluated by people as a function of the evaluator’s own subjective status.

The current research predicts that how people evaluate conspicuous goods depends both on how the goods are presented (i.e., alone or being worn) and the perceiver’s own level of status. It is proposed that among low-status people, they will evaluate products that are conspicuous more favorably when present alone because of their status-signaling capabilities, but less favorably when worn by others because of threat stemming from social comparison. In contrast, among high-status people, who do not require social status and are less sensitive to the potential threats of social comparison, there will be little difference.

Two experiments test the hypothesis that low-status people prefer more status-signaling products compared to high-status people. But when the status-signaling product is displayed on a spokesperson, low-status people would prefer less status-signaling products compared to high-status people.

Experiment 1 adopts a 2 (high vs. low status) x 2 (logo size: big vs. small) x 2 (spokesperson presence: yes vs. no) between-subject design. Participants first took part in a status manipulation task in which participants in the high-status condition were asked to recall a time in which they had status while participants in the low-status condition were asked to recall a time without status. After the status manipulation, participants were directed to an ostensibly unrelated task in which they were asked to evaluate a polo shirt with either a spokesperson or no spokesperson. Evaluations of the polo shirts were measured as the dependent variable.

Results showed a significant two-way interaction between the presence of spokesperson and status in that low-status participants liked conspicuous products less compared to high-status participants when spokespersons were present (p=.043). Low status participants also liked conspicuous products less when spokespersons were present compared to when spokespersons were absent (p=.005). No significant difference in liking was found for high status participants when spokespersons were present or absent or between high and low status participants were spokespersons were absent. Participants’ perceived warmth and friendliness for spokespersons were also measured. Low status participants perceived the spokesperson to be less warm compared to high status participants (p=.047), supporting the account that low-status people might feel threatened by spokespersons endorsing high-status products.

The second experiment adopted a 2 (high vs. low status) x 2 (logo size: big vs. small) x 2 (logo placement: spokesperson vs. blank space) between-subject design. 100 university students were recruited online using the same procedure as experiment 1 and randomly assigned to one of the eight conditions.

After going through the status manipulation in which they were asked to recall a time with or without status, participants were directed to an ostensibly unrelated task in which they were asked to evaluate an ad for a new Lacoste sweater. The ad depicted a female spokesperson wearing a white Lacoste sweater. Half of the participants saw the ad with the Lacoste logo evident on the sweater while the other half saw the ad with the logo in the blank space of the ad and there was no logo on the sweater. In each of those two conditions, the size of the logo was either big or small. Evaluation of the spokesperson was measured as the dependent variable.

Results showed a significant three-way interaction on the evaluation of the spokesperson among status, logo size, and logo placement. When the logo is present on the spokesperson, contrast effects showed that low-status participants had a higher evaluation of the spokesperson when the logo was small compared to when the logo is big, p=.002. There is no such difference in evaluation among high-status participants. Furthermore, when a big logo was depicted on the spokesperson, low-status participants evaluated the spokesperson less favorably than high-status participants, p=.054.

The above two studies provided evidence for the hypothesis that the presence of a spokesperson alters consumers’ response to conspicuous consumption as a function of consumers’ social status. To be specific, when spokespersons are present and directly associated with the conspicuous product, people with a low level of status have a decreased evaluation of the spokesperson and the product compared to people with a high level of status. A comparison within low-status people revealed that they liked conspicuous products better when the spokesperson was absent versus present.

The current research has important marketing implications in that we propose conditions under which it is unfavorable to use spokespersons as a strategy to promote conspicuous products. Specifically, when targeting consumers with low status, it is beneficial not to use spokespersons as they would evoke social comparison and cause potential consumers to form unfavorable opinions towards the spokesperson and also the product.

It is worth noting that although the current research focuses on anonymous spokespersons instead of celebrities or well-known spokespersons, it is beneficial to control for other characteristics of the spokesperson. Although similar patterns of results were found across two studies with spokesperson of different gender, we should also control for other characteristics of the spokesperson in future research.
research, such as attractiveness, familiarity, and similarity to oneself.

REFERENCES
EXTENDED ABSTRACT

This research investigates the downstream effects of a novel experience on consumers’ preference for diversity in product choice. How does exposure to something novel affect consumers’ tendency to explore and seek variety among subsequently encountered product options? For example, do consumers consider a broader, or a narrower, range of options after having browsed through a store’s novel items first? And does the novel design of an online store’s home page or a traditional store’s décor influence the range of products consumers purchase, and their liking for those products?

We propose that experiencing novelty will lead consumers to explore more in a subsequent situation, and that this exploratory tendency will result in choice of a broader and more varied set of options from an assortment of products, as long as the products are appealing. Several streams of research led us to these predictions. First, it is well known that novel items attract attention and promote exploratory responses (Berlyne 1960; Fiske and Maddi 1961). Second, it has recently been suggested that novelty promotes exploration because, in contexts that hold the possibility for reward, novelty enhances the salience of the potentially rewarding properties of items, and motivates exploration in search of valuable outcomes (Krebs et al. 2009; Whittmann et al. 2008). Finally, there is evidence that some of the cognitive effects of novelty extend beyond the novel item itself and influence responses to subsequently encountered items (Bunzek and Duzel 2006; Fenker et al. 2008). Based on these findings, we proposed that the ability of novelty to promote exploration may also extend beyond the novel item to products encountered in a subsequent context. We hypothesize that in a consumer context, the enhanced tendency to explore, after novelty, will be reflected in the choice of a more diverse set of products, but only when the available products are potentially rewarding. We test these hypotheses in three laboratory studies.

Study 1 showed that participants who had engaged in a task involving novel images subsequently selected more diverse options from a set of snacks. These participants also rated the snacks as significantly more appealing, and the enhanced appeal mediated the effect of novelty on choice diversity. Study 2 replicated these effects in the context of a series of choices, using a different novelty manipulation. It also provided support for our second hypothesis, namely that the effect of novelty on subsequent variety seeking is observed only when the choice options are potentially rewarding. Participants who had provided associates to unfamiliar words (vs. familiar words), subsequently chose more diverse snacks, but only when the snacks were appealing. When the perceived appeal of the snacks was limited, novelty participants did not differ significantly from controls in their choice. Finally, study 3 demonstrated that exposure to novelty improves evaluations and promotes exploration among less typical, but still enjoyable, members of a product category. This suggests that novelty may promote other forms of consumer exploratory behavior such as innovativeness.

Our findings have important theoretical and managerial contributions. From a theoretical perspective, they extend the existing literature on novelty by demonstrating that novelty produces extended effects that last beyond the novel context. While a significant body of research has examined how the degree of novelty influences processing, preferences, or choice of the novel item itself (e.g., Berlyne 1960; Fiske and Maddi 1961; Venkatesan 1973), the downstream effects of novelty exposure on subsequent preferences and choice have received little attention. This manuscript is the first to demonstrate that the ability of novelty to promote exploration applies not only to the novel items, but also to items encountered in a follow-up context. In addition, by bringing together several different literatures, the present research demonstrates how findings at the neurological level can be used to make predictions about effects that can be tested using traditional measures. The present manuscript also suggests potential avenues for future research on the effects of exposure to novelty - a topic that is understudied in the consumer behavior literature, but that is of clear importance in that domain.

From an applied managerial perspective, the present work indicates that novelty has powerful effects on shopping, interest in potentially rewarding products, and liking of products, and suggests why marketers and firms constantly tout newness and novelty in their products, and indeed consider it in their entire marketing mix: people like novelty and fresh ideas, and respond to it in important ways. The present research begins clarification of what some of these ways are: it suggests that when a firm introduces novelty, such as novelty in product lines, packaging, brochures, etc., this novelty may have effect on preferences, choice, and sales of existing products. Specifically, novel introductions may prompt consumers to seek variety and try a broader set of product options, even existing ones. This should benefit a firm that already has varied product lines, since novelty will likely stimulate trial and purchase of more of its existing product options. The results from our studies also suggest that a novel context such as a novel website of an online retailer, or novel décor or layout of a traditional retailer, may make consumers more open to, and may thus facilitate, trial and adoption of new products. If a firm’s existing product lines, however, are limited, novelty may decrease loyalty and prompt consumers to try competitors’ products. These, and many other questions, remain to be explored.

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EXTENDED ABSTRACT

Mere categorization effect, as discovered by Mogilner, Rudnick, and Iyengar (2008), suggests that the number of categories partitioning an assortment can result in chooser satisfaction. However, is there always positive relationship between the number of categorization and chooser satisfaction? Is it possible that too much partitioning in assortment reduces satisfaction? On one hand, evidences suggest that, along with the increase of categorization number, the perceived variety is increasing too (Mogilner, Rudnick, and Iyengar 2008). Nevertheless, the effect of variety to consumers is mixed. Conventional ideas suggest that the higher the variety in choices, the better the opportunity for consumers to satisfy their preferred consumption needs (Baumol and Ide 1956). And meanwhile, as consumers very often are unable to foresee their future tastes, maintaining a certain degree of variety helps to “keep their options open” (Kreps 1979; March 1978; Kahn, Moore, and Glazer 1987; Kaheman and Snell 1992). Studies into consumer decision making also suggest that, people tend to choose a larger assortment size than the smaller ones to assure a higher variety of choices (Broniarczyk, Hoyer, and McAlister 1998; Kahn and Lehmann 1991).

On the other hand, while the categorization number satisfies consumers' need of variety seeking, it can result in consumers' additional cognitive load (Hauser and Wemelerfelt 1990; Huffmanand Kahn 1998; Jacoby, Speller, and Kohn 1974; Malhotra 1982; Scammon 1977; Shu-gan 1980), hinder their decision process (Chernev 2003a, 2003b; Dhar 1997; Greenleaf and Leh-mann 1995; Iyengar and Lepper 2000; Schwartz 2002), and even create the situation of overchoice (Berger, Draganska, and Simonson 2007; Dhar 1997; Iyengar and Lepper 2000; Iyengar, Huberman, and Jiang 2004; Tversky and Shafir 1992). Other studies echo these arguments, that the larger the categorization number, the higher possibility of consumers to experience post-purchase regret (Gourville and Soman 2005), and thus reduce the confidence on their final choice (Chernev 2003a, 2003b; Iyengar and Lepper 2000). That is, an increase in choice variety might diminish consumers' perceived satisfaction.

Both seem to be justifiable. When the number of categorization is getting larger, the perceived variety of choice can be increasing. This guarantees a higher autonomy in choice, and thus raises consumers' perceived satisfaction (Mogilner, Rudnick and Iyengar, 2008). However, one can also argue that, when the number of categorization is getting too large, by accompanying their perceived variety, consumers can also experience a rapid increase in decision costs. And eventually this induces a satisfaction loss on their final choice. The current study intends to reveal the relationship between categorization number and the perceived satisfaction. Although Mogilner, Rudnick, and Iyengar (2008) report that this relationship should be positive, however, this study argues that it might not be that simple. When the number of categorization steps beyond a certain threshold, the perceived satisfaction could start to decrease.

Based on an extensive literature review, the current study introduces the following hypotheses: H1: Along with the increase of categorization number, consumer perception about product variety is increasing, even the assortment size is fixed. H2: When making choices between determined options, the level of satisfaction for consumers will increase then decrease with increase in the number of categorizations. H3: The perception of variety mediates the relationship between the number of categorizations and the level of satisfaction for consumers. And based on the result of the first experiment, the current study further provides the following hypotheses: H4a: When making choices from determined options, the stress on consumers increases with the number of categorizations. H4b: When making choices in determined options, the regret felt by consumers increase with increases in the number of categorization. And H5: Consumers feel overloaded with regret, creating the “over categorization” effect.

Two experiments (Dongba Script experiment and magazine experiment) are designed to find out, under laboratory conditions, while keeping the number of choices constant and changing the number of categorizations, the level of satisfaction produced in the subject under various conditions. The results from the two experiments in this article show clearly that categorization does indeed affect, ultimately, the level of satisfaction in a consumer. In a situation where subjects are given determined choices, the number of categorizations creates an increase in the level of satisfaction in the consumer followed by a decrease. This is due to the increase in awareness to variety in the consumer as a result of the increased amounts of choices, and with it, the increased opportunity cost in making any choice, causing regret and overload, and leading to the aforementioned decrease.

Since the way a product is sold brings to the consumer sensory and behavioral changes, it is often very difficult to determine which exact stimulus leads to which result. Thus any research using only a single marketing stimuli is one which necessary has much worth in its theory and applications, such as the mere measurement effect (Janiszewski and Chandon 2007), mere exposure effect (Janiszewski 1993; Zajonc 1980), mere accessibility effect (Menon and Raghubir 2003), and so on. Mogilner, Rudnick and Iyengar (2008) found the “mere categorization effect” with “simply categorizing the product, no matter if it is of any practical use, necessarily affect the level of satisfaction for the consumer of the product”, contributing much to the field of mere-research. Yet “mere categorization effect” cannot fully determine the connections between the number of categorizations and the level of satisfaction. It only clarifies a tiny part of the theory and does not focus at all on the change in satisfaction as time goes on, or as the number of categories increase. Thus this paper has, in the above mentioned way, made accurate “mere categorization effect” and perhaps completed it, bringing it to more value is practical usage.
372 / The Over-Categorization Effect: How the Number of Categorization Influences Shoppers’ Perceived Variety and Satisfaction

REFERENCE


Consumer Research, 15 (December), 374–78.
Does Variety in Packaged Goods Matter?
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EXTENDED ABSTRACT
Suppose there are two boxes of chocolates; in one box, all ten pieces are exactly the same (in the most popular flavor), while, in the other box, the ten pieces come in different flavors. The former package tastes better and provides no variety, while the latter package contains less-preferred flavors but provides variety. Which box will the consumer choose? Although existing research finds that consumers generally seek variety driven by diversified motivations (Kahn 1995; Kahn and Ratner 2005; McAlister and Pessamier 1982), it mainly examines variety across brands and over time. Relatively little research is on variety in packaged goods at a given point in time. The current research attempts to provide some insights into this question. Specifically, we examine whether consumers appreciate the presence of variety in packaged goods, and the moderating role of contextual factors such as evaluation mode and consumption goal.

Distinct from research on variety-seeking across brands, this paper focuses on variety within the same product assortment/category, and adopts the attribute-based approach (Herpen and Pieters 2002) to examine the presence of variety in packaged goods. In the context of packaged goods, the presence of variety means that items combined into a single package differ on certain attributes, such as flavor, color or shape. The absence of variety occurs when all items in a package are exactly the same. We are interested in whether and when consumers value the presence of variety in purchasing packaged goods. Thus, the present research fills an important gap in the literature by addressing the situational factors that moderate the impact of variety in packaged goods on product evaluation and purchase decision.

We hypothesize that the presence of variety in packaged goods has a positive effect on consumer perceptions of product attractiveness and purchase intention. In order to understand the underlying mechanism, we propose two moderators for this effect: evaluation mode and consumption goal. Specifically, we reason that the direct comparison available in the joint evaluation mode makes the differences between the product with and the product without variety more salient than in the separate evaluation mode, and thus induces variety to be valued more. In addition, the positive impact of variety in packaged goods is more influential when consumers have a hedonic consumption goal than when they have a utilitarian consumption goal. This is because the high perceived hedonic benefits generated by variety in packaged goods is congruent with a hedonic consumption goal. We conducted a pilot study and two experiments to test these hypotheses.

The pilot study covered five formats of variety (i.e., flavor, shape, scent, color of product, and color of package). Compared to the packaged goods without variety, those with variety were found to be more attractive and more likely to be purchased. We found that these effects were robust across different formats of variety.

In study 1, we investigated the moderating role of evaluation mode. A pair of packaged potato chips was used as stimuli, each containing five small bags of equal weight and carried the same price. The only difference between the two was the presence (i.e., five different flavors) versus the absence (i.e., only the most popular flavor) of variety on flavor. The two stimuli were evaluated separately or jointly. The results replicated the main effect of the presence of variety on product attractiveness and purchase intention. In addition, the positive effect of variety was stronger in the joint evaluation mode than in the single evaluation mode for both product attractiveness and purchase intention. Thus, comparing between the products with and without variety is instrumental for consumers to fully appreciate the value of variety. As actual shopping contexts often entail the joint evaluation mode, the information delivered by the presence of variety cannot be ignored by marketers.

In study 2, we tested the moderating role of consumption goal. Using packed instant coffee as the stimuli, we adopted a 2 (variety: present vs. absent) × 2 (consumption goal: utilitarian vs. hedonic) mixed design with variety as a within-subject factor and consumption goal as a between-subjects factor. Participants were randomly assigned to one of the consumption goal manipulations. Then they evaluated the stimuli that came at the same price; one without variety (i.e., having six sachets of the most popular latte flavor), and the other with variety (i.e., having five sachets that each came in latte, espresso, cappuccino, mocha, and Americanos flavors, respectively). Interestingly, the packaging with variety was considered more attractive and more likely to be purchased than that without variety, even though the latter had the advantage of greater quantity. Furthermore, as the package with variety was perceived to provide more hedonic benefits, it was more appealing for consumers with a hedonic goal than those with a utilitarian goal.

In sum, the findings from the pilot study and two experiments consistently supported the hypothesis that consumers generally desire the presence of variety in packaged goods. More importantly, the positive impact of variety on product attractiveness and purchase intention was intensified when consumers were able to evaluate the products with and without variety jointly (vs. evaluate them separately) and when consumers had a hedonic consumption goal (vs. a utilitarian consumption goal). We discussed the implications of our findings and presented several directions for future research.

REFERENCES


A Sense of Power and Uniqueness Seeking
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EXTENDED ABSTRACT

INTRODUCTION

Power is perhaps one of the most omnipresent forces in consumers’ social world. On one hand, individuals are likely to have experiences of feeling powerful or powerless temporarily throughout the day (Keltner et al., 2003). For example, interviewing a job applicant, giving advice to students, or setting a curfew for one’s child might evoke the psychological state of feeling powerful (Rucker and Galinsky, 2008). On the other hand, power is a relatively stable psychological state that reflects individual differences in how people view themselves in both formal social hierarchies such as workplace, and in informal hierarchies such as family structure (Anderson and Berdahl, 2002). Despite the prevalence of power in our everyday life, its influence on individuals’ consumption behavior still remains less probed (Rucker and Galinsky, 2008). Our current research aims to further explore the influences of power in driving consumer behavior.

In particular, we are interested in how a sense of power may sway consumers’ unique seeking behaviors. According to uniqueness theory (Snyder and Fromkin, 1980), all individuals crave uniqueness to some extent. People are motivated to establish and maintain a sense of moderate self-distinctiveness, since the perception that the self is either highly similar or highly dissimilar to others arouses negative emotions (Lynn and Snyder, 2000). It is further found that the strength of need for uniqueness is determined by both internal and external factors (Berger, 2010; Imhoff and Erb, 2009). While the internal factors reflect individual differences in uniqueness motivation (Snyder and Fromkin, 1977), the external factors mainly capture various situational pressures that make individuals feel overly similar to other and motivate people to seek uniqueness (Markus and Kunda, 1986).

A great deal of extant researches offers consistent evidences that the power affects the extent to which the self or others become the focal (Rucker et al., 2010). For instance, Anderson and Berdahl (2002) found that those with greater power were more likely to express their private opinions and true attitudes free from all inhibitions, whereas low-power individuals’ own attitudes and opinions were shaped by their high-power counterparts (e.g., Berdahl and Martorana, 2006). Researches on social perception also suggest that power tends to reduce awareness of others and their individuating features, unless those features are instrumental for power-holders to accomplish their goals (Galinsky et al., 2008; Magee and Galinsky, 2008). Thus, having power, as opposed to lacking power, leads to a greater reliance on one’s own thoughts (Briñol et al., 2007).

In summary, the powerful are less affected by others’ attitudes and preferences, thus are more likely to immunize from external forces. Consequently, it is predicted that individuals experiencing a state of power are more likely to seek uniqueness, whereas those experiencing a state of powerlessness tend to seek conformity. We tested this hypothesis through three studies.

METHODOLOGY AND RESULTS

In Study 1, we examined the correlation between the chronic nature of power and need for uniqueness. One hundred and twelve undergraduates (62.5% females) took part in the survey. Generalized sense of power was measured as an individual difference using the 8-item scale (Anderson and Berdahl, 2002; Rucker and Galinsky, 2009). Respondents then completed the avoidance of similarity scale (Tian et al., 2001) and need for conformity scale (Kahle, 1995). The results revealed a positive correlation (r = 0.41, p < .001) between the chronic sense of power and need for uniqueness, which thus provided a valid basis to further investigate the impact of power on consumption behavior through experimental studies (i.e., Study 2 & 3).

It is reported that situations temporarily thrust people into feelings of powerful or powerless (Keltner et al., 2003). How would such temporal feelings of power affect people’s subsequent choices? Study 2 was designed to answer this question. Thirty-two undergraduates (19 female) participated in the study and a temporal state of power was manipulated using a recall task (Galinsky et al., 2003). Respondents were then asked to choose between popular (i.e., Coca-Cola) and less popular (i.e., shop-made soda) product alternatives. Our results showed that 86.7% participants in the high power condition selected the less popular option while only 41.2% of those in the low power condition did so ($\chi^2 = 3.06, p < 0.10$).

Study 3 was developed to examine whether power is more likely to make people think of products in lines with uniqueness or differentiation. Specifically, we asked the subjects to design at least five advertisement slogans for a new cell phone brand. Fifty-one (27 females) participants joined the study where power was manipulated by a role-playing task (Galinsky et al., 2008). The results showed that participants in high power condition generated more uniqueness-related words in their slogan designs than those in low power condition did ($t = 2.56, p = 0.01$), which again supported our hypothesis.

CONCLUSION

Across three studies, we provided converging evidence that being or feeling powerful affected uniqueness seeking behavior. Specifically, individuals experiencing a state of power were more likely to seek uniqueness, whereas those experiencing a state of powerlessness tended to seek conformity. Since a sense of power could be activated through external cues, findings from the current research offer a number of important implications for managers to formulate effective marketing strategies.

REFERENCES


What Causes Impulse Buying Urge When Consumers Watch Television Home Shopping?
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EXTENDED ABSTRACT
This research examines the antecedents of viewers’ impulse buying urge in television home shopping (THS). Prior research usually attributes the growth of THS to the fact that people make impulse purchase on THS channels (e.g., Lee, Lennon, and Rudd 2000; Warden et al. 2008). Therefore, this study applies Beatty and Ferrell (1998)’s impulse buying model and incorporates more antecedents which are unique to THS to investigate the relationship among these antecedents and compare their relative impacts on impulse buying urge in THS.

Beatty and Ferrell (1998)’s impulse buying model shows that two situational variables (times available and money available) and two individual difference variables (shopping enjoyment and impulse buying tendency), influence the endogenous variables, including positive and negative affect and browsing behaviour, and ultimately the impulse buying urge. To fit the THS context, this study modifies this model in three ways. First, attractiveness of host and celebrity should be included due to their functions on providing information and entertainment in THS context (Park and Lennon 2006; Warden et al. 2008). Second, perceived risk also should be included because viewers usually can not inspect and compare merchandise before purchasing (Simpson and Lakner 1993). Third, negative affect should be excluded in THS context because impulse buying urge, as a hedonic emotional state, is not directly influenced by negative affect (Morrin and Chebat 2005; Rook 1987). Thus, this study proposes a model in which two endogenous antecedents (positive affect, THS-channel browsing) and five exogenous antecedents (time available to go out shopping, money available, perceived risk, impulse buying tendency and attractiveness of host and celebrity).

This study posits that viewers who spend more time browsing around THS channels have a stronger impulse buying urge because they can not only learn about the specification of merchandises in detail from TV but also encounter much promotional stimuli which makes them want the products. In addition, when consumers with positive affect, they would process the information by heuristic routes so that they spend less time collecting and evaluating information (Hart et al. 2007). Thus, those consumers with positive affect from THS are more likely to experience a buying urge. Furthermore, this study also expects that browsing THS longer are more likely to experience positive affect because browsing can lead to hedonic value of shopping from displays, counters, lighting and music.

This study further examines the exogenous antecedents of THS-channel browsing behaviors and positive affect respectively. This study assumes those consumers who have less available time to go out and less available money are likely to browse around THS channels. Those with higher perceived risk toward THS also spend less time browsing. Moreover, those consumers with high impulse buying tendency (IBT) and those who perceive that hosts and celebrities are attractive are expected to browse THS-channel longer.

This study infers that high IBT consumers in a THS setting are easily to perceive positive affect because they have a stronger motivation to anticipate more hedonic impacts from impulsive consumption (Ramanathan and Williams 2007). In addition, because attractive salespeople are helpful to strengthen positive product evaluations, it infers that they would elicit viewers’ pleasure-related responses, such as positive affect of interest, excitement and joy.

Survey data is collected from 312 consumers. In the survey, respondents were asked to provide their perception of THS in recent one year. Analysis of a questionnaire survey with 262 subjects, utilizing structural equation modelling, reveals several important findings. First, this study finds that viewers’ impulse buying urge while watching THS channels is primarily affected by their impulse buying tendency, followed by THS-channel browsing and positive affect. Viewers with a high impulse buying tendency spend more time watching THS channels and experience more positive emotions created by the channels, which in turn elicits stronger buying urge. Second, attractiveness of host and celebrity is the most important factor to raise viewers’ positive affect. Specifically, hosts and celebrities with friendly attitudes and abundant product knowledge increases viewers’ positive affect.

Third, although both perceived risk and time available to go out shopping have impacts on impulse buying urge, the former has the greater impacts. Because viewers wonder whether the merchandises offered are as good as they appear on TV and if they get the best price, they would perceive higher risk, resulting in spending less time in browsing THS channels. The finding that those viewers with less time to go out shopping are likely to spend more time on THS is consistent with results of previous studies. Finally, contrary to our expectation, the amount of available money does not influence THS channel browsing. A possible explanation is that THS channels are easily accessible at home, therefore, the viewers with different available money would not be different from browsing behaviours.

This study contributes in two ways to the literature on THS. First, through the examination of a comprehensive framework, this study demonstrates that the previously found and new factors could influence buying urge in THS contexts and compare their relative impact. Second, this study extends the applicability of Beatty and Ferrell’s (1998) impulse buying model in the THS context. Meanwhile, this study also modifies their model by identifying additional constructs, including perceived risk and attractiveness of host and celebrity, which are not discussed in their model.

REFERENCES


The Effects of Expertise Claims and Expertise Warrants on Attitude towards Online Product Reviews

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EXTENDED ABSTRACT

Online product reviews are seen as a persuasive source of information in the consumer-decision making process, shaping not only consumers’ attitudes but also their purchase behaviors (Bickart and Schindler 2001; Chevelier and Mayzlin 2006; Park and Kim 2008; Senecal and Nantel 2004). The persuasiveness of reviews has often been explained by its source credibility. Reviews are written by noncommercial individuals who are believed to provide a more accurate and truthful evaluation of product/brand performance than commercial sources.

The literature makes an important assumption that still remains untested: That all reviewers are equal in credibility. However, reviews are authored by different types of sources (Mackiewicz 2010; Willemsen et al. in press), ranging from individuals with little knowledge of the product under review (i.e., typical consumer) to individuals who claim to be knowledgeable about a product as part of their profession (i.e., claimed experts).

By means of two experiments, we examined the relative effects of consumers and claimed experts on source credibility and compared these with the effects of a third source commonly identified online: warranted experts. Warranted experts are sources whose expert status has been established through peer ratings. It is asserted that consumers, claimed experts, and warranted experts have differential effects on perceived source expertise and perceived source trustworthiness—i.e., two dimensions of source credibility—and that teasing apart these differential effects facilitates a better understanding of source effects in computer-mediated communication.

METHOD

Participants were asked to evaluate a product review posted on a fictitious review site which discussed a hotel or computer (study 1, n=265) or a digital camera (study 2, n=96). Product reviews were identical except for the manipulation of the source. That is, respondents were exposed to a review authored by: (1) a consumer; or (2) a self-claimed expert. Study 2 also included a third condition in which the expert status of the source was confirmed by the ratings of the review community (i.e., warranted expert). After exposure to the review, participants answered a series of questions to tap perceived source expertise and trustworthiness, and attitude towards the review.

RESULTS

Source type appeared to have differential effects on what is assumed to be the two dimensions of credibility: Perceived source expertise and trustworthiness. An expert scored significantly higher on perceived expertise than a typical consumer. A typical consumer, however, was considered to be more trustworthy than an expert. These differential effects induced two competing mechanisms when comparing a consumer source with a claimed expert source. A consumer source (vs. expert source) had a positive indirect effect on review attitude through perceived trustworthiness, and a negative indirect effect through perceived expertise. In tandem, these mechanisms suppressed the relationship between source type and attitude towards the review.

This suppression situation was contingent on the way an expert source was demarcated from a consumer source. Conform our expectations, a suppression situation only emerged when the expert status of the source was based on self-claims (i.e., claimed expert). When the expert status of the source was based on peer ratings (i.e. warranted expert), no suppression situation emerged. Warranted experts induced positive assessments of perceived expertise and trustworthiness, thereby closing the gap between the two dimensions of credibility that instigated the suppressed effect of the source type – review attitude relation.

CONCLUSION

This study shows that consumers integrate perceptions about the expertise and trustworthiness of a source into evaluations about the review provided by the source. This alleviates the societal concern that consumers adopt online content without making an effort to differentiate credible online sources from incredible online sources. As demonstrated in the present study, however, the credibility of a source is not easily discerned in the online context where perceived source trustworthiness is not always in par with source expertise, and vice versa.

Anyone can publish online product reviews under any identity, thereby inducing concerns about the identity of reviewers and their intentions to share information. These contradictory source evaluations highlights the “authenticity dilemma” (Metzger, Flanagan, and Medders 2010; Willemsen et al, in press) inherent to online media where one cannot be confident about the true identity of a source and his/her motivations to share information.

This study shows that source evaluations can be brought into line with each other when the expert status of a source is confirmed by peer ratings. In such circumstances, a source scores high on both perceived expertise and perceived trustworthiness. This implies that peer ratings, instead of authority, form boundary conditions for online credibility assessments. This notion is consistent with a growing body of literature that argues that credibility assessments move from “a model of single authority based on hierarchy to a model of multiple authorities based on networks of peers”. This insight stresses the need to develop peer rating tools/systems to gauge credibility and to take away (unwarranted) suspicion about the authenticity of reviewers. Such tools are not only of importance for consumers, but also for practitioners who use reviews as testimonials in their marketing efforts.

REFERENCES


EXTENDED ABSTRACT

Conceptual Framework

Theories about family consumption are important because they help us answer questions of group consumer behaviour. Resources theory and unitary model are two theoretical approaches in explaining role of children in a family decision making. Wut (2008) proposes a model for the family decision making. Family members’ influences are represented by their respective buying preference:

McNeal et al. (1998, p48) add that Hong Kong children begin to be socialized as consumers as early as age four with strong emphasis on spending. Levy and Lee (2004, p334) investigate children’s influence on the purchase of a house by conducting in-depth interviews with nine real estate agents. They propose that the children’s needs, as perceived by their parents, form important criteria for the choice of a house. The authors mention children’s indirect influence at various stages of the group decision process (indirect influence being the situation whereby parents take into account the needs of the children). Age is regarded as direct influence. Their interviewee suggest that children from about age eight to fifteen years have the most influence. Children below the age of eight will follow their parents’ decision and children older than fifteen are less interested in the home and may not influence the decision, possibly as a result of their growing independence.

The influence of child on family decision making seems to increase with the child’s age (Darley and Lim, 1986; Moschis and Mitchell, 1986). It seems that there is a positive relationship between the age of the child and his or her ability to process information. Swinyard and Sim (1987, p30) find that older children (age between 12 and 19) have more influence than younger children (age between 4 and 12) in 15 of 16 durable and non-durable products. Ahuja and Stinson (1993) agree that children’s influence increases with their age. Thus, the relevant research question is listed below:

“Are children’s ages positively related to their level of influence on family decision-making?”

Thus the research hypothesis is proposed as follows:

Hypothesis: The influence of older children is greater than the influence of younger children on family buying preference.

Method

Samples are collected through convenience sampling. Although a convenience sample is used, specific demographic quotas are established to ensure adequate representation of families in Hong Kong. Only those families in which the husband, wife and at least one child are currently living together that would be included in the sample. Moreover, the child has to be at least seven years of age. More than half of families are living in New Territories, a quarter of families are living in Hong Kong Island and the rest are living in Kowloon side. The distribution is similar to the actual population in Hong Kong.

Data Analysis and Discussion

202 sets of questionnaires are sent out and 134 families completed the set of questionnaires. The respondent rate is 66.33%. Only 122 sets of questionnaires were suitable for further analysis. 12 sets of answers were either incomplete (at least one or more of husband, wife or child set was missing) or there were missing answers in some of questions. After discarding 36 incomplete questionnaires, there are 732 questionnaires from a total of 122 families are available for further analysis. In terms of total number of siblings, the average for respondent families is 2.03, which corresponds to the whole population in Hong Kong. Since we are intending to choose the eldest child in the family in preference, thus the age of children and the ranking cannot be compared with the whole population in Hong Kong. The gender distribution of children also approximates that of the whole population.

Four different models are established based on four different categories of children according to their ages. The four categories are: between age seven and ten, between age eleven and age fourteen, between age fifteen and age eighteen and between age nineteen and twenty-nine. The SEM’s fit indexes result is listed as table below, which suggests that all models are valid except the last category.

Path loadings suggest that all family members’ buying preference is strongly related to their own perception on family buying preference. The greatest loadings are found on the wives when compared with other members’ loadings. All t values of effect for different categories of children’s buying preferences on their family buying preference are highly significant meaning that children of different ages’ own buying preferences are highly correlated with their own family buying decisions.

ANOVA (based on the formula of condensed data set using standard error for calculating F values) are used to test the difference among path coefficients of different categories of children according to their ages. The result, showing that there is no difference among all categories (F = 1.4796, p = 0.2228). However, there is significant difference between categories of between age seven and ten and between age 15 and 18. (F = 2.8546, p = 0.0929). The above table indicates that children between age 7 and 10 and between age 19 and 29 have greater influence on family decision making.

In addition, there is a declining tendency for the children’s influence on family decision making from the age ten through nineteen. As children grow older, parents generally have more confidence in their ability to make judgments as consumers. At the same time, children have their own pocket money and their interaction with parents on family purchase decision making may decrease.

Summary and Implications

In summary, hypothesis that the influence of older children is greater than the influence of younger children on family buying preference is generally not supported. The influence of children has decreasing tendency with increasing ages. Family is a resource exchange system. However, resource theory assumes that family members are rational. In reality, family members may not be totally rational. They may act altruistically without expecting any reward. It is often true in parent and child as well as couple
relationship. Thus, family decision making could not be explained fully by resources theory.

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Buddhism and Consumption

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EXTENDED ABSTRACT

Buddhist values have suffused Chinese culture for the past two thousand years. Along with Confucianism and Taoism, Buddhism forms the basis for much of the Chinese world view, morals and ethics. In relation to consumption, Buddhism emphasizes the importance of eliminating desire for material goods, and the perils of becoming attached to material possessions. Indeed, “few religions have attacked the material world with the intellectual rigor of Buddhism,” (Kieschnick 2003, p. 2). Buddhism inherently recognizes that our thirst for possessions can never be quenched (Kieschnick 2003). A distinction is often made between the material objects themselves and the consumer’s relationship to them, and there is a difference between ownership of goods and attachment to them (Ross 1991). Buddhism does not say anything negative about possessions themselves (Ross 1991). Rather, it espouses frugality and moderation (Daniels 2005). One should consume as needed to follow the Middle Path (not excessive but not spartan either), but should not become attached to objects. To cultivate no-attachment, a person must be generous and should periodically give away material possessions, and one’s possessions should not evoke pride or greed (Pryor 1990).

It is believed in Buddhist thought that one’s current social and economic position is decided by accrued karma from previous lives. Generosity to the poor and in general is an important means of accumulating merit, which helps one to obtain a high social and economic position in the next life (Pryor 1991). In Buddhist thought, consumption is taken to be a limited source of happiness and satisfaction, and excessive consumption is considered to be harmful (Daniels 2005). Hence, consumption is often moderated and restrained. Buddhists are not anti-consumers, but rather conscious or mindful consumers (Loundon 2005). Importantly, Buddhism identifies three types of materialism – physical, psychological and spiritual – that unless guarded against, will co-opt our lives (Simmer-Brown 2002).

It is widely recognized that historically Buddhism has an important effect on consumer behavior and material culture in many countries (e.g., Kieschnick 2003). For example, Cornwell et. al. (2005) demonstrate that Buddhists are more relativistic in terms of the ethics they apply to consumption situations than Christians and Muslims. Pongsakornrungsilp et. al. (2011) have demonstrated how Buddhist consumers in Thailand co-create consumption experiences via their spiritual fear, faith and desire. In a Western context, Belk (2011) suggests that following a Buddhist economic path could be a way to reduce rampant over consumption in the West.

Since China has opened to the world in the 1970s, the Chinese economy has grown at an extraordinary rate. During this growth, society as a whole has put a lot of emphasis on using material objects, and in particular brands, as markers of social status. Even Buddhist monks are not immune to this focus on materialism, with monks using iPhones and eating fast food (Belk 2011). Indeed, the head monk at the famed Shaolin Temple is reported to own a luxury SUV and other cars.

At the same time as many Chinese monks are becoming materialistic and keen to acquire the latest consumer goods, Chinese consumers are having renewed interests in spirituality. Since the government relaxed its ban on religious gatherings in 2006, a religious boom has emerged, in particular among the younger generation (Lim 2010). Two thirds of those who describe themselves as religious are Buddhist or Taoist, and 62% are age 39 and younger (Lim 2010). Chinese consumers have embarked on a new march toward religious spirituality and flooded local altars to pray for material gains. Even Buddhist temples are competing with each other to build the largest Buddha statue in order to attract more followers. With Buddhist values and teachings reemerging in Chinese society, how can we understand and reconcile the Buddhist views on consumption with the conspicuous consumption that is so ubiquitous in contemporary China? Similar paradoxes also exist in other countries that recently experienced rapid social transformations. For instance, Wattanasuwan and Elliott (1999) found that instead of detaching themselves from consumption, Buddhist teenagers in Thailand devote themselves to symbolic consumption in an attempt to create their Buddhist selves.

In this roundtable, we will explore this paradox within the wider lens of global consumer culture. In particular, we will examine how Buddhism affects consumption in relation to other spiritual orientations. For example, Veer and Shankar (2011) suggest that in a Christian context, religious consumers make sense of their own materialism in relation to the non-materialistic teachings of the Bible via justifications for materialism, such as focusing on functional aspects of a product rather than materialistic aspects like the ability to signal status. We examine how Buddhism differs or overlaps with such religious orientations, and extend this stream of research by exploring how religion influences the transition to a consumer society in Asia.

As Buddhism is so widespread throughout Asia, we anticipate a high level of interest in this topic at the conference. We also expect participation from consumer researchers interested in the intersection between religion
Buddhism and Consumption

and consumption in general, and those interested in Chinese consumer culture in general.

REFERENCES
EXTENDED ABSTRACT

Global Consumer Culture (GCC) refers to generally accepted beliefs and consumer tendencies toward globally shared consumption-related symbols such as brands, product categories, and consumption activities. Previous studies have shown its strategic implication for brand positioning strategies. However, the potential contribution of global consumer culture and its positioning strategy to brand value would depend on consumers’ susceptibility to global consumer culture (SGCC), a general trait that varies across individuals and is reflected in the desire or tendency for the acquisition and use of global brands.

This paper aims to use a newly developed measurement scale for SGCC to investigate the global consumption behaviour in two different globalizing contexts of Chinese societies. Questionnaire surveys were conducted in Hong Kong and Shanghai. The major measurements were the three dimensions of SGCC (i.e., conformity to social norms, perception of product quality, and social prestige), and purchase intentions for global brands. The items used in the measurement of social and cultural dimensions of SGCC (i.e., symbolic value of social prestige and conformity to social norms) were drawn to the maximum extent possible from those that have previously been used in measuring global and foreign brand influences, while the quality perception dimension of SGCC includes the item scales that have been used in the literature of product evaluation and perceived brand globalness.

The procedure for data collection involved with young adults in Hong Kong and Shanghai. The young consumers are more subject to the influence of global and foreign consumer cultures. Two sets of samples were collected. A total of 400 university students were recruited for the study (200 from Hong Kong, 200 from Shanghai). Coincidentally, 169 valid Hong Kong samples and 169 valid Shanghai samples were collected. Among the Hong Kong sample, 99% of the Hong Kong sample aged between 18 and 24; 44.4% were males whilst 55.6% were females; 54.5% of the sample had an average monthly family income between HK$10,000 and HK$29,999. For Shanghai samples, all the respondents were between 18 and 23 years old; 38.5% were males whilst 61.5 were females; 14.8% of the sample had an average monthly family income less than RMB1,000; 61.5% of the sample had an average monthly family income between RMB1,000 and RMB5,000. Totally, there were 338 valid samples for the analysis.

The measurement of the items used in the questionnaire was on a 6-point scale rather than the typical 7-point scale to avoid potential measurement bias to a neutral point. The scale was labeled from 1 = strongly disagree to 6 = strongly agree. Prior to conducting the survey, a pretest was done with a small group of students to verify the face validity of the instrument. The dimension of conformity to social norms is consisted of five items: the tendency to consume global/foreign brands - “makes one look good in his/her social group”; “makes one feel a sense of belonging”; “makes good impression on others”; “makes one feel closer to modern lifestyle”; and “makes one feel to be part of the social trend”. The quality perception dimension is also composed of five items: global/foreign brands - “have a very high quality image”; “have a very high level of reliability”; “have a very high level of standard in safety”; “are associated with latest technology”, and “are associated with long-lasting quality”. The social prestige dimension contains six items: global/foreign brands - “signify one’s fashion image”; “represent the latest lifestyles”; “symbolizes one’s social image”; “are associated with the symbol of prestige”; “tell something about one’s social class”, and “are associated with wealth”. Purchase intention is measured by two items: “like to buy/repurchase this kind of global brand”, and “like to recommend these brands to my friends and relatives”.

Structural equation modeling analyses were performed to examine the two sample groups with regard to the SGCC dimensions. Several reliability and confirmatory factor analyses were conducted on the variables to examine the SGCC dimensions with Hong Kong and Shanghai samples. All of the Cronbach’s alphas were greater than 0.70. Satisfactory results were obtained for the convergent validity and discriminant validity tests for the three dimensions of SGCC. In order to assess the adequacy of construct measures for the dimensions of SGCC across the two sample groups, confirmatory factor analysis (CFA) was performed by using AMOS5.0 with maximum likelihood as the estimation method. The goodness of fit of the model can be considered as acceptable (GFI > 0.9, RMSEA is 0.08). However, the chi-square statistic is not desirable, which may be related to sampling errors. Standardised regression weights and t-values for the structural model are shown in the table (t-values in excess of 1.96 were accepted as significant: t >1.96, significant at 0.05; t >1.65, significant at 0.10; t <1.65, insignificant). However, only two of the dimensions of SGCC (conformity to social norms and quality perception) are found to be significantly related to purchase intentions (p<0.05). Social prestige is found to be not significant. Similar findings are found for the two sample groups. Furthermore, based on a test on chi-square differences, no significant differences are found among the two sample groups with respect to the relationship between each of the three dimensions of SGCC and purchase intention.

In short, the results show a support of the reliability and validity of the newly developed three-dimensional scale of SGCC, which can help us to understand more about a specific consumer segment’s motivation in buying global brands with regard to symbolic, normative, and/or quality reasons. As such, the SGCC scale can help firms identify how a global brand may be positioned along with the three dimensions, and understanding the score for each dimension is likely to provide direction for guiding a firm’s brand positioning strategies. However, more work need to be done to assess the generalization of the SGCC in other developing countries.

REFERENCES


The Two Different Effects of Chinese Traditional Culture on Luxury Consumption: Face and Harmony
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Steven D’Alessandro, Macquarie University, Australia
Hume Winzar, Macquarie University, Australia

ABSTRACT
This paper explores the different effects of two Chinese traditional cultural values on individuals’ materialism and desire towards luxury products. Specifically, face (mianzi) positively influences luxury products desire through materialism; harmony (hexie) moderates the relationship between materialism and luxury products desire in such a way that the relationship is stronger for those lower, rather than higher, in harmony. This research demonstrates the multidimensionality of cultural influence and points to the need for a sharper focus in building consumer behavior theory based on Chinese (Eastern) society.

INTRODUCTION
The largest population and fastest growing economy in the world leads to the emergence of a booming luxury market in People’s Republic of China. Now an increasing number of luxury brands appear in this huge market, some of which have entered the low-tier cities. Even during the recent economic recession period, the luxury sales amount within China staggeringly kept going up and the market size has reached 8.6 billion U.S. dollars in 2008, ranking 2nd in the world. Moreover, Chinese people spent another 11.6 billion U.S. dollars on luxury goods in overseas markets. Hence in total Chinese consumers contributed more than 10% of luxury sales all over the world in 2008 (Bain, 2009). With the great potential, China is estimated to replace Japan as the largest luxury market after 2015 (BCG, 2009).

This booming market intrigues a lot of scholars and practitioners, and also brings about a lot of confusions. For example, Chinese (Asian) people desire luxury goods even when they earn fairly low income (Wong & Ahuvia, 1998). Different from westerners who mainly buy house wares, Chinese prefer those public visible luxuries such as watches and bags (Liu, 2006). Consumers in Asia and Western societies may purchase the same products for different reasons (Li & Su, 2007). Thus, as Redding (1990) concluded, any attempt to explain the social behavior in China without considering cultural factors would be incomplete.

Actually in consumer analysis, because of its significant impact on human behavior, culture has been widely linked to consumption (Craig & Douglas, 2006; Yaprk, 2008). In business research, culture could be assessed in three ways – ethnological description, cultural proxies and cultural values (Lenartowicz & Roth, 1999; Soares, Farhangmehr, & Shoham, 2007). Of these approaches, due to the fact that consumers make decisions largely based on the value fulfillment obtained through consumption, cultural values as the dominant societal values shared by individuals in the same cultural group (Hofstede, 1980; Schwartz, 1999) have been usually thought of the significant antecedent of consumer behavior (Lowe & Corkindale, 1998). Therefore a large number of studies have examined the influence of cultural values on specific consumer behavior (Erdem, Swait, & Valenzuela, 2006; Kacen & Lee, 2002; Lee, 2000).

However, most of the current cultural theories and constructs developed solely from Western societies might be culture bound and fail to catch the nuance in Eastern society (Chinese Culture Connection, 1987). For example, the most important cultural dimension in Hofstede’s framework ‘collectivism’ could relate to several basic indigenous values in Asian cultures, such as face (mianzi), harmony (hexie), personal connections (guanxi), social favours (renqing) and so on. As one of the few countries that were not fully colonized by Western nations, China retained much of its unique cultural characteristics (Ackerman, Hu, & Wei, 2009; Yau, 1988). Several decades ago, scholars had noticed Chinese consumers tended to buy products that met Chinese social standards (Hamilton, 1977). Even today as Western culture swarms into China, the old norms, concepts and ways of thinking are still pervasive and significant in people’s daily life (Wang & Lin, 2009). Several studies have demonstrated that the indigenous Chinese cultural values could influence various consumer issues, such as customer satisfaction (Hoare & Butter, 2008; Yau, 1994), consumer tolerance (H. Chan, Wan, & Sin, 2009), green purchase (R. Y. K. Chan, 2001), gift giving (Joy, 2001; Qian, Razzaque, & Keng, 2007), and pirated CD purchasing (Wan, et al., 2009). Nevertheless, the role of traditional Chinese culture in luxury consumption is completely unknown. Hence it is necessary and meaningful to explore the impacts of indigenous cultural values on luxury consumption in China.

THE ROLE OF CULTURE IN BEHAVIORAL RESEARCH
There are different functions of culture in behavioral research. It has been agreed by nearly all the (cross-)cultural psychologists that culture could play a significant role in shaping human thought and behavior (Berry, Poortinga, Segall, & Dasen, 1992; Shweder, 1990; Triandis, 1994). In cultural-behavior analysis, two major issues – does the culture play a primary or secondary role and does culture have a direct or an indirect effect on the dependent variables could decide the role of culture in behavioral research (Lonnner & Adamopoulos, 1997). Firstly, culture could be viewed as the primarily significant determinant of human phenomena. In this category, researchers can treat culture as the independent variable which is similar as in experimental study (direct influence) or view culture as a contextual variable and compare specific behavior across cultures (cross-cultural comparison). Secondly, culture can be considered as an intervening antecedent variable (secondary importance) when some other variables are thought of to be more significant. Under this circumstance, culture is mostly studied as moderator to intervene the relationship between independent and dependent variables (Lonnner & Adamopoulos, 1997). This study will test two traditional Chinese cultural values as independent variable and moderator respectively.
MATERIALISM AND LUXURY CONSUMPTION

Materialism is often associated with luxury consumption (Mason, 1981; Wong & Ahuvia, 1998). As a central driving force in modern consumer society (Cushman, 1990), materialism has become a popular topic in a broad range of disciplines (Burroughs & Rindfleisch, 2002). It is defined as the importance a consumer attaches to worldly possessions (Belk, 1985) and "represents a mind-set or constellation of attitudes regarding the relative importance of acquisition and possession of objects in one’s life" (Richins & Dawson, 1992, p. 307). Based on the concept that possessions are individuals’ extended self, Belk (1985) treated materialism as a personality trait with three dimensions: possessiveness referring to the inclination to retain control of one’s possessions, nongenerosity viewed as an unwillingness to share possessions with others, and envy defined as desire for other’s superior possessions. A more popular conceptualization is from Richins & Dawson (1992). They regard materialism as a value which includes the dimension of acquisition centrality, acquisition as the pursuit of happiness and possession-defined success. Acquisition centrality proposes that materialists tend to put possessions and acquisition at the centre of their lives. The pursuit of possessions would structure their lives and direct their behaviors. The second theme demonstrates the extent to which materialists view possessions as essential to their life satisfaction and well-being. Hence materialists pursue happiness through acquisition rather than through other ways. Possession-defined success suggests that materialists judge one’s own and others’ success by quality and quantity of their possessions. In capitalist culture, success is always defined in financial terms, so consumers with high level of materialism desire more money, and lay more stress on financial security (Christopher, Marek, & Carroll, 2004; Richins & Dawson, 1992).

Consumers high in materialism tend to spend money wastefully to enhance their social status (Mason, 1981). Compared to people low in materialism, they are more likely to value things that symbolize wealth and achievement (Richins, 1994a). Then they can obtain satisfaction from others’ admiration (Liao & Wang, 2009), so they usually valuate possessions based on price rather than utilitarian reasons and consume for the sake of consumption (Richins & Rudmin, 1994). Therefore, due to the public meaning and symbolic value (Richins, 1994b), expensive luxury products could be a natural choice for materialists (Tatzel, 2002; Wong & Ahuvia, 1998). Wong (1997) found that materialism is linked to luxury consumption through the dimensions of envy and possession-defined success. Liao & Wang (2009) discovered material values motivate consumers to purchase brand name goods.

FACE, MATERIALISM AND LUXURY CONSUMPTION

Face refers to a sense of favorable social self-worth that a person wants others to have of him or her in a relational and network context (Goffman, 1967). The concept of face (mianzi) was originally from Confucian society. In 1940s, Hu (1944) first introduced face to Sociology area. She proposed that although every person defines face as different values and uses different ways to pursue it, face does exist in every society. In other words, face is a cross-cultural and universal phenomenon, but more obvious in Confucian society (Ho, 1976). It reflects one’s social self-esteem and the desire to be respected during interpersonal interactions (Ting-Toomey & Kurogi, 1998). In Western society, people consider themselves being independent to others, which is called ‘independent self’. In such culture, people tend to make decisions individually and do not care about others’ feelings. Whereas China is an extremely collectivist country where people rely upon others to live and are very concerned about how they are perceived by others (Markus & Kitayama, 1991). So the value of face becomes a fundamental principle during social interactions (Ho, 1976; Hu, 1944). In China nearly everyone confronts face-related issues everyday (Li & Su, 2007). People try to gain and maintain face while avoiding losing face (Hwang, 1987).

In Western cultures, people choose brands according to their personal preferences. Whereas in China, people tend to choose brands and products more for prestige (Wong & Ahuvia, 1998). Because expensive luxury products are the symbol of wealth and success (Richins, 1994a, 1994b), people are likely to consume them to make themselves and their sociality counterparts have face (Joy, 2001). If their behaviors do not accord with others’ expectation, they will lose face. Therefore because of face, sometimes Asian consumers are not willing to but have to buy the luxury products even when they have relatively low income (Wong & Ahuvia, 1998). Zhou & Nakamoto (2001) and Zhou & Belk (2004) also noted this indigenous construct could be a significant factor that leads to the booming luxury market in China.

In addition, both face and materialism relate to the desire for using a brand or a product to enhance social prestige (Liao & Wang, 2009). Specifically, people with strong face consciousness are likely to pursue money and material wealth regardless of how rich or poor they are to enhance their reputation and status (Wong & Ahuvia, 1998). Bao et al. (2003) found because of face Chinese consumers attach more importance to the extrinsic attributes (e.g. brand, prestige) than intrinsic attributes (e.g. value, quality) of products, which is consistent to the trait of materialists. So we could say face makes materialism stand out. Wan et al. (2009) also discovered face could positively influence materialism which leads to pirate CD purchase. It is noteworthy that in some studies researchers conceptualize face as a consumption style (face consumption) rather than a value or personality trait (Bao, et al., 2003; Li & Su, 2007). Then face becomes a consequence of materialism (Liao & Wang, 2009). In the present research, we consider face as a personal value people tend to conform to, hence we postulate that face could influence luxury consumption through materialism.

HARmony, MATERIALISM AND LUXURY CONSUMPTION

Compared to Western individualist countries, China is a highly collectivist nation (Hofstede, 1980, 1991). This culture emphasizes ‘we-identity’ instead of ‘I-identity’ in individualist culture. People are motivated by norms and duties imposed by the in-group, give priority to the goals of the in-group, and try to stress their connectedness with the in-group (Triandis, 1995). This leads to an indigenous value – harmony (hexie) which refers to the concept of avoiding extreme behavior or conflict to maintain and achieve harmonious relationship with other people (Kirkbride, Tang, & Westwood, 1991; Yau, 1988). As the...
foundation of Chinese culture, harmony relates to several important social norms, such as reciprocation of social favors (renqing), group orientation, personal connections (guanxi), solidarity with others, face and so on. For Chinese the word ‘mature’ means one could maintain a harmonious interpersonal relationship and care about others’ feelings. Cocroft & Ting-Toomey (1994) found that Chinese tend to use indirect and mild conflict styles to keep interpersonal harmony whereas US respondents are more likely to use direct and threatening conflict styles. Even when dealing with international affairs, currently Chinese government proposes the concept of harmonious world to reduce conflicts across nations and focus on world peace and development. In order to achieve harmonious interpersonal relationship, people should have a high degree of self-control and moderation (Yau, 1988). A daily-life example is that in Western society when one gets praised he would accept it and say ‘thank you’, whereas Chinese are prone to say ‘No’ to show humbleness, or else they would be thought of arrogance and the relationship with others might be damaged. Hence in China, low-key is a most important principle during social interactions. In collectivist cultures, the tendency to focus on group harmony requires the ability of managing and repressing personal internal emotions (Kacen & Lee, 2002). Even if a person is very talented and contributes a lot at work but behaves aggressively, he breaks the harmony and therefore would not gain popularity from others. So Asian people always repress negative emotions and only express positive emotions to their acquaintances (Gudykunst, 1993). Ho (1994) also found that children in Confucian countries tend to control the impulses at their early ages.

Culture could affect an individual’s behavior by determining the appropriate way of emotional expression (McConatha, 1993). Because of harmony, people in collectivist cultures are likely to put personal feelings aside and act in a socially appropriate manner depending on the context and situation instead of personal attitudes and beliefs (Kacen & Lee, 2002). Hence it has been found that attitude-intention and attitude-behavior are weaker in collectivist than in individualist societies (Bagozzi, Wong, Abe, & Bergami, 2000; Kashima, Siegal, Tanaka, & Kashima, 1992; Lee, 2000). The most important motivation of luxury consumption is showing off the wealth and status (Mason, 1981; Richins, 1994b), which is against the principle of low-key and then would break in-group harmony. Especially now although Chinese economy greatly developed in recent years, a majority of the population especially those who live in inland and rural areas are still too poor to purchase even necessities (McEwen, Fang, Zhang, & Burkholder, 2006). Consequently, as an expression of material values, purchasing expensive luxury products is still considered as an extreme behavior and often criticized by mass media. Therefore people high in harmony are more likely to suppress their desires for luxury products even if they are fairly materialistic.

H2: Harmony moderates the relationship between materialism and luxury products desire in such a way that the relationship is stronger for those lower, rather than higher, in harmony.

Figure 1 shows the conceptual model of this paper. It is believed that face could influence luxury products desire through materialism and harmony would moderate the relationship between materialism and luxury products desire.

### Figure 1 Conceptual model of this study

![Conceptual Model](image)

**METHOD**

The sample consisted of 100 adults from a diverse set of organizations in various Chinese cities. The data cleansing took into consideration ‘spurious’ cases in the data set that classified respondents as potentially providing false or erroneous information while completing the questionnaire. Three respondent cases were removed because of the extreme consistent responses (i.e., 3,3,3 etc.). Therefore the total sample size was 97. Participants included 31 males and 66 females with a mean age of 32 years (SD=10.9). Most of respondents’ monthly incomes were less than RMB8,000 (approximately US$1,200). Almost all the respondents had an education level of a university degree.

We chose five items from Zhang, Cao & Nicholas’s face scale (in press) where they measured face as a personal value rather than a consumption style. Three items were adapted from Cheung et al. (1996) and Yang et al. (1991) to measure harmony. Materialism was measured by 9 items from material value scale (MVS) (Richins, 2004; Richins & Dawson, 1992). Last, we used three items to measure individuals’ desire toward luxury products which were adapted from O’Cass (2004). The translation and back-translation method was used to ensure that the statements could be well understand by Chinese consumers (Brislin, 1980). All measures were 5 point Likert-type scales with poles from strongly disagree to strongly agree.

**RESULTS**

Firstly the data were factor analyzed using principle components with varimax rotation. Table 1 provides an overview of the factor structures. All the items of face, harmony and luxury products desire loaded onto their appropriate factor and their factor loadings were above 0.54. In terms of the materialism scale, two factors were extracted, which was consistent with Griffin, Babin & Christensen’s (2004) finding that the original three-factor structure of Richins and Dawson’s scale did not always work, especially in non-English speaking countries, so the
The Two Different Effects of Chinese Traditional Culture on Luxury Consumption: Face and Harmony

two-factor structure in our study could be acceptable. All constructs showed acceptable reliability with Cronbach’s α ranged between 0.65 and 0.84. Then a composite score was computed for each construct by averaging the items pertaining to the construct. Table 2 displays the correlations among the key constructs and demographic variables. Specifically, luxury products desire was significantly related to face (r=0.26) and materialism (r= 0.44). Face positively correlated with materialism (r=0.50). In terms of the demographic variables, only age has significant correlations with the key constructs. It was surprised that age negatively correlated with face which demonstrated this fundamental value is even more prevalent among young people. The negative relationship between age and materialism was consistent with some former studies (Hung, Gu, & Yim, 2007; O'Cass, 2004).

Table 1 Preliminary result for constructs

<table>
<thead>
<tr>
<th>Constructs</th>
<th>Loadings</th>
<th>Cronbach α</th>
</tr>
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<tbody>
<tr>
<td>Face</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I hope people think I can do something others can not.</td>
<td>0.54</td>
<td></td>
</tr>
<tr>
<td>I care about praise and compliments from others.</td>
<td>0.77</td>
<td></td>
</tr>
<tr>
<td>I hope to own some products others desire but can not afford.</td>
<td>0.55</td>
<td>0.77</td>
</tr>
<tr>
<td>I hope others know I have acquaintance with some big names.</td>
<td>0.73</td>
<td></td>
</tr>
<tr>
<td>I hope in other people’s mind, my life is better than most people.</td>
<td>0.66</td>
<td></td>
</tr>
<tr>
<td>Harmony</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I always try to get along well with everyone.</td>
<td>0.64</td>
<td></td>
</tr>
<tr>
<td>When I am interacting with others, I notice to consider others’ feelings.</td>
<td>0.78</td>
<td>0.65</td>
</tr>
<tr>
<td>In my life I always try to avoid the extreme behavior which might offend others.</td>
<td>0.81</td>
<td></td>
</tr>
<tr>
<td>Materialism</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Factor 1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I admire people who own expensive homes, cars, and clothes.</td>
<td>0.70</td>
<td></td>
</tr>
<tr>
<td>Some of the most important achievements in life include acquiring material possessions.</td>
<td>0.52</td>
<td></td>
</tr>
<tr>
<td>The things I own say a lot about how well I’m doing in life.</td>
<td>0.70</td>
<td></td>
</tr>
<tr>
<td>My life would be better if I owned certain things I don’t have.</td>
<td>0.53</td>
<td></td>
</tr>
<tr>
<td>I’d be happier if I could afford to buy more things.</td>
<td>0.76</td>
<td>0.70</td>
</tr>
<tr>
<td>It sometimes bothers me quite a bit that I can’t afford to buy all the things I’d like.</td>
<td>0.69</td>
<td></td>
</tr>
<tr>
<td>Factor 2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I usually buy only the things I need.a</td>
<td>0.86</td>
<td></td>
</tr>
<tr>
<td>I always spend money on things that aren’t practical.</td>
<td>0.71</td>
<td></td>
</tr>
<tr>
<td>I try to keep my life simple, as far as possessions are concerned.a</td>
<td>0.76</td>
<td></td>
</tr>
<tr>
<td>Luxury products desire</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Luxury products are important to me.</td>
<td>0.87</td>
<td></td>
</tr>
<tr>
<td>I am interested in luxury products.</td>
<td>0.76</td>
<td>0.84</td>
</tr>
<tr>
<td>Luxury products are a significant part of my life.</td>
<td>0.89</td>
<td></td>
</tr>
</tbody>
</table>

Note: *reversed score items.

Table 2 Correlations and descriptive statistics (N=97)

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Face</td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Harmony</td>
<td>0.14</td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Materialism</td>
<td>0.50**</td>
<td>0.09</td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Luxury products desire</td>
<td>0.26*</td>
<td>0.03</td>
<td>0.44**</td>
<td>1.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Gender*</td>
<td>0.04</td>
<td>0.12</td>
<td>-0.06</td>
<td>-0.11</td>
<td>1.00</td>
<td></td>
</tr>
<tr>
<td>6. Age</td>
<td>-0.42**</td>
<td>0.06</td>
<td>-0.41**</td>
<td>-0.13</td>
<td>-0.05</td>
<td>1.00</td>
</tr>
<tr>
<td>M</td>
<td>3.43</td>
<td>3.99</td>
<td>2.99</td>
<td>2.55</td>
<td>0.32</td>
<td>32.27</td>
</tr>
<tr>
<td>SD</td>
<td>0.58</td>
<td>0.55</td>
<td>0.52</td>
<td>0.79</td>
<td>0.47</td>
<td>10.88</td>
</tr>
</tbody>
</table>

Note: **p <0.01; *p <0.05. 
*a1=male; 0=female.
Face, Materialism and Luxury Products Desire

To test the mediating effect, the following analysis suggested by Baron and Kenny (1986) were adopted: (1) The result of the first regression in Table 3 indicated that face significantly accounted for variations in materialism which provided initial support for a mediation effect. (2) The second step showed that after controlling the demographic variables, the correlation between face and luxury products desire was initially significant. (3) When we included materialism in the final regression, the influence of face on luxury products desire was not significant. Moreover, the increased $R^2$ value (0.12, $p < 0.001$) resulting from adding materialism in the equation was relatively large, demonstrating that the impact of face on luxury products desire was completely mediated by materialism (Baron & Kenny, 1986). Thus, H1 was fully supported.

Harmony, Materialism and Luxury Products Desire

Determining the partial values of the interaction term was an important step in understanding how the variables serve as moderators (Cohen & Cohen, 1983). Hence for the moderating effect of harmony, hierarchical regression analysis was performed to test for linear and interaction effects on the relationship between materialism and luxury products desire. Variables were entered into the model in the following order: control variables, materialism and harmony, and materialism × harmony interaction.

The results of the regressions were showed in Table 4. At the first step, the two control variables did not account for a significant portion of the variance in luxury products desire ($R^2 = 0.03$, ns). In the step 2, the main effect of materialism ($β = 0.45$, $p < 0.001$) was significant, but harmony had no significant influence on luxury products desire. Finally, step 3 obtained a significant incremental variance represented by the interaction term of materialism and harmony ($ΔR^2 = 0.04$, $p < 0.05$), and the F-value for the overall regression model is 5.75 ($p < 0.001$). As predicted, a negative interaction was observed ($β = -0.20$, $p < 0.05$), indicating the lower in harmony, the stronger the relation between materialism and luxury products desire.

Moreover, Champoux & Peters (1987) proposed that a graphical depiction may better interpret the moderating effect. Thus, following Cohen & Cohen (1983) we computed simple standardized regression slopes for individuals high (+1SD) and low (-1SD) in harmony, and plotted the two slopes. In Figure 2, as predicted the relationship between materialism and luxury products desire is stronger for those lower, rather than higher, in harmony. Thus H2 was fully supported.

### Table 3 Results of Regression Analysis for Mediation (N=97)

<table>
<thead>
<tr>
<th></th>
<th>Materialism</th>
<th>LPD</th>
<th>Gender</th>
<th>LPD</th>
<th>LPD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender a</td>
<td>-0.09</td>
<td></td>
<td>Gender</td>
<td>-0.12</td>
<td></td>
</tr>
<tr>
<td>Age</td>
<td>-0.24*</td>
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<td>-0.03</td>
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<tr>
<td>Face</td>
<td>0.41***</td>
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<td>Face</td>
<td>0.25*</td>
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</table>

### Table 4 Results of Regression Analysis for Moderation (N=97)

<table>
<thead>
<tr>
<th></th>
<th>LPD</th>
<th></th>
<th>LPD</th>
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</tr>
</thead>
<tbody>
<tr>
<td>Gender a</td>
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<td>Gender</td>
<td>-0.08</td>
<td>Gender</td>
<td>-0.10</td>
</tr>
<tr>
<td>Age</td>
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<td>Age</td>
<td>-0.05</td>
<td>Materialism</td>
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</tr>
<tr>
<td>Materialism</td>
<td>0.45***</td>
<td>Harmony</td>
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<td>Harmony</td>
<td>-0.00</td>
</tr>
<tr>
<td>Harmony</td>
<td></td>
<td>Materialism × Harmony</td>
<td>-0.20*</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: LPD= Luxury products desire.

***p < 0.001; **p < 0.01; *p < 0.05.

'1'=male; 0=female.
Conclusion

The present study systematically tested the impacts of two most basic traditional cultural values -- face (mianzi) and harmony (hexie) on materialism and luxury products desire in China. First, the finding showed that face could positively influence individuals’ desire toward luxury products through the mediation of materialism, which could better explain the existing luxury fever in China and other Eastern countries. Different from the former relevant research (Bao, et al., 2003; Li & Su, 2007; Liao & Wang, 2009), this study firstly treated face as a personal value which exerts direct impact on consumption. In addition, we found that the value of harmony could moderate the relationship between materialism and luxury products desire, which could help explain why attitude-intention and attitude-behavior are weaker in collectivist than in individualist cultures (Bagozzi, et al., 2000; Kashima, et al., 1992; Lee, 2000).

The sample of this study is relatively small. In the next step, the research should be conducted among a larger sample. Moreover, behavioral measures were not included in this paper and there might be different relationships if the research is repeated in the context of the intended purchases of specific luxury brands for social conscriptions products such as luggage, clothing, mobile phones and watches. Lastly, one issue should be addressed: the cross-cultural generality and specificity of the findings in the present study. Although these values are developed from Chinese society, they are not cultural-specific. For example, several studies have demonstrated that the value of face also exists in Western cultures (H. Chan, et al., 2009; Goffman, 1967; Ting-Toomey, 1988; Ting-Toomey & Kurogi, 1998), so testing the theory in western nations and make a cross-cultural comparison to build a culturally universal theory would be very much the focus of future research by the authors.

REFERENCE


396 / The Two Different Effects of Chinese Traditional Culture on Luxury Consumption: Face and Harmony


EXTENDED ABSTRACT

Relationship building is a complex phenomenon that should be addressed within its specific context because exchange relationships vary in the interface, motivation, and context in which they are established. As interest grows in marketing practices targeting ethnic communities, there is a need to expand what is known about the impact of acculturation on consumer relational behavior. This study contributes to this debate by considering how the degree of consumer acculturation influences relationships between relational bonding and banking service providers. Contemporary literature posits that consumer acculturation affects ethnic consumers’ buying behavior and decision-making (Lerman, Maldonado, & Luna, 2009; Perry, 2008; Podoshen, 2006; Sekhon & Szumig, 2009). Several researchers suggest that the degree of acculturation may more strongly influence consumer behavior than the country in which a consumer was born (Ogden, Ogden, & Schau, 2004; Palumbo & Teich, 2004; Seitz, 1998).

In the financial services industry, forging strong customer relationships is important because of the interpersonal nature of the service delivery process. However, the successful implementation of long-term relationships requires a clear understanding of the underlying factors that encourage customer commitment and loyalty. Therefore, a better understanding of the impact of acculturation on consumer relational commitment and loyalty is needed. This study investigates the impact of acculturation on Chinese consumers’ relational bonding and loyalty behaviors in banking relationships.

This study employs the concept of targets of commitment in the relationships between acculturated Chinese consumers and their banking service provider (bank or banking consultant). Targets of commitment (or commitment foci) are the entities an individual is psychologically committed to in a relationship. These multiple targets of commitment are the service company, a regular service employee, or a friend who is an employee at the service company (Jones, Taylor, & Bansal, 2008). Although previous studies have documented the components of services and relationship marketing, such as structural bonding, social bonding, service company commitment, interpersonal commitment, advocacy, and long-term behavioral intention (Baumann et al., 2007; Dash, Bruning, & Guin, 2009; Jones et al., 2008), investigations of the interrelationship of these variables in relational exchange studies have not been undertaken. This study fills that gap, argues that these relational variables are interrelated and significantly influence each other, and examines the impacts of each target of commitment in a bi-dimensional model of acculturation. The investigation of these relationships can be used to predict ethnic consumer loyalty toward the banking service provider (or target of commitment).

The study is set in the financial services sector and focuses on Chinese consumers living in New Zealand. In the collectivist Chinese culture, building personal relationships based on guanxi is of primary importance (Ambler, 1994; Arias, 1998; Lee, Pa, & Wong, 2001; Leung, Lai, Chan, & Wong, 2005; Wang, 2007). Therefore, understanding the interplay between relational behavior and guanxi in this group’s relationship commitment is fundamental. The study examines the drivers of relationships in the Chinese banking relationship in the host culture and applies Western and Chinese relationship concepts to capture the influence of acculturation on Chinese consumers’ relational bonding and loyalty-related behavioral intentions.

This study examines Chinese bank customers’ relationships with two distinct role-based targets of commitment: (1) a bank, where the role is economic exchange and provision of service (service company commitment), and (2) a banking consultant acting as a friend, where the role is social exchange and provision of friendship (interpersonal commitment). A consumer’s commitment toward the bank or banking consultant centers on the exchange-based role, the decision logic underlying that role, the relational orientation, and the exchange benefits.

Mail surveys were distributed to 2,000 Chinese residents in New Zealand, yielding a final valid sample of 368. The study employed a seven-point Likert Scale and measurement items adapted from previously tested scales including structural and social bonding, targets of commitment, advocacy, and long-term behavioral intentions, and acculturation level consisting of language preference and cultural involvement. Structural equation modeling and multiple-group analysis were employed to assess the interrelationships among model constructs. A chi-square difference test was used to compare an unconstrained model (original model) and a constrained model (nested model) to corroborate acculturation’s moderating effect on the relationships between bonding and target of commitment.

The results indicate that level of acculturation positively moderates the relational bonding on targets of commitment. Structural bonding between customers and the bank and social bonding between customers and the banking consultant are significantly correlated with consumer commitment to the banking service provider. The findings show that acculturated Chinese consumers, when committed to their banking consultant, are more likely to provide positive word-of-mouth and encourage friends and relatives to do business with their banking consultant. On the other hand, acculturated Chinese consumers, when committed to their bank, are more likely to remain in long-term relationships with their bank.

The study suggests the importance of measuring the influence of consumer acculturation on the distinct targets of commitment and loyalty outcomes. Acculturation levels significantly influence the Chinese consumers’ relational behavior to their banking service provider. Personal relationship or friendship plays an important role in forming consumer interpersonal commitment to the banking service provider and reinforcing consumer loyalty. This study concludes that personal relationship or commercial friendship is desirable in relationship building with Chinese bank customers. Insights are provided for practitioners seeking to design effective segmentation strategies for ethnic groups. An understanding of the influence of consumer acculturation on ethnic consumer
behavior can help to shape ethnic marketing strategies in relation to positioning, segmentation, and the design of marketing communications. The present research contributes theoretical and managerial knowledge to the literature on relationship marketing, services marketing, and ethnic marketing.

REFERENCES
ABSTRACT

The primary objective of this study was to analyze the factors affecting consumers’ purchase behavior of pirated software in Thailand. A new model of pirated software purchase behavior was developed for this study. The findings indicate that social factors, such as normative susceptibility, and personality characteristics, along with value consciousness and novelty seeking, have significant influences on the attitude towards pirated software. Consumer’s purchase behavior of pirated software is strongly predicted by his or her attitude towards piracy. The research also reports a significant difference in purchasing behavior of illegal software among consumers based on gender, age, and income.

INTRODUCTION

Software piracy has become a major problem, which annually costs millions of dollars to the software industry. Software piracy has been defined as the illegal copying of an organization’s internally developed software or illegal duplication of commercially available software to avoid fee (Wagner and Sanders, 2001). This problem becomes more alarming as previous studies suggest that individuals do not think of pirated software as something unethical (Im and Van Epps, 1991; Reid et al., 1992); they consider it socially and ethically acceptable (Solomon and O’Brien, 1990). Pirated software, therefore, continues to be a threat to the growth of global economies. All firms experiencing this situation must establish strategies to counteract piracy (Jacobs et al., 2001). The problem of pirated software will not eliminate as long as users have intentions to use illegal software copies.

According to a study by the Business Software Alliance (BSA, 2009), a US-based industry association, Thailand is one of the countries that have high piracy rated in Asia-Pacific Region. Similarly, BSA reported that 76% of software used in Thailand in 2008 was illegal, with estimate losses of $609 million for software manufactures. Accordingly, understanding why people continue to purchase unauthorized software and learning how to discourage the purchase of unauthorized software are increasingly important issues for management and practice in Asian markets. To better assess whether or not pirated software is economically harmful or helpful to both software manufactures and consumer welfare, it is necessary to think about consumer behavior in this regard (Krie and Cronan, 1999). Accordingly, this study aims to develop and test a model examining the antecedents of consumer’s attitude towards piracy and purchase behavior of pirated software.

Therefore, with respect to pirated software, the primary objective of this study is to analyze the factors affecting consumers’ purchase behavior of pirated software in Thailand. What would be the factors influencing consumers’ purchase behavior of unauthorized software? The proposed model of pirated software purchase behavior in this study is drawn from the theory of planned behavior (TPB) which developed by Ajzen (1985), which has been extensively validated and successfully applied in variety of instances of human behavior (Liao et al., 2010). According to TPB, behavioral intention, which determines actual behavior, is a result of individual’s attitude, subjective norm and perceived behavioral control over the target behavior. However, the behavioral intention has been found to have a weak relationship to actual behavior (Limayem et al., 2004; Kim and Malhotra, 2005). Thus, this study departs from TPB by relating individual’s attitude, subjective norm, and perceived behavioral control directly to behavior. In addition, this study also aimed to examine how social and personality factors, such as normative susceptibility, collectivism, novelty seeking and value consciousness, influence Thai consumers’ attitude towards piracy, which in turn, affect on purchase behavior of consumers. The results of this study will provide an in-depth understanding of Thai consumers’ attitude towards pirated software as well as towards social consequences. Moreover, this study also indicated that factors influencing pirated software purchase behavior in this country which the government administration and software firms can used in designing appropriate policy and strategy for combating pirated software.

RESEARCH OBJECTIVES

The major purpose of this study is to test the influences of consumers’ attitude towards piracy, subjective norm, and perceived behavioral control on their purchase behavior of pirated software. Additionally, this study also examines how social and personality factors, such as normative susceptibility, collectivism, value consciousness and novelty seeking, influence consumer’s attitude towards piracy. Moreover, the difference in term of pirated software purchase behavior when segmented by different demographic factors such as gender, age levels, and income levels will be investigated in this study. The specific objectives of this research are posed as follows:

1. To find the relationship between subjective norm and consumers’ pirated software purchase behavior.
2. To identify the relationship between perceived behavior control and consumers’ pirated software purchase behavior.
3. To investigate the relationship between attitude toward piracy and consumers’ pirated software purchase behavior.
4. To test the relationship between normative susceptibility and consumers’ attitude toward piracy.
5. To clarify the relationship between collectivism and consumers’ attitude on piracy.
6. To examine the relationship between novelty seeking and consumers’ attitude on piracy.
7. To analyze the relationship between value consciousness and consumers’ attitude on piracy.
8. To identify the difference in purchasing behavior of pirated software by gender.
9. To identify the difference in purchasing behavior of pirated software by age levels.
10. To identify the difference in purchasing behavior of pirated software by income.
LITERATURE REVIEW AND RESEARCH HYPOTHESES

Based on the research objectives, ten hypotheses were developed and divided into three groups. Group A consisted of eight hypotheses, which test influences of social factors (normative susceptibility and collectivism), personality factors (novelty seeking and value consciousness) on consumers’ attitude towards piracy (attitude towards pirated software and social consequences). Group B was composed of hypothesis nine, ten, eleven, and twelve which analyze the effects of attitude towards piracy, subjective norm and perceived behavioral control on purchasing behavior of consumers toward pirated software. Group C comprised of hypothesis thirteen, fourteen and fifteen which compare the consumer’s pirated software purchase behavior when segmented by demographic factors such as gender, age and income levels.

Group A: The purpose of the eight hypotheses in group A was to test the influences of social factors and personality on the attitude towards piracy (which consists of attitudes towards pirated software and social consequences). Wang et al., (2005) concluded that as self-image play an important role, purchasing a pirated product does not enhance a good impression. The researchers found that consumers tend to have unfavorable attitude towards pirated products or counterfeits. According to the prior research, normative susceptibility is expected to have negative influence on consumers’ attitude towards piracy (Deutsch et al., 1955; Park et al., 1977; Cohen et al., 1972; Bearden et al., 1982).

H1: Normative susceptibility has a statistically significant relationship with consumers’ attitude toward pirated software.

H2: Normative susceptibility has a statistically significant relationship with consumers’ attitude toward social consequences.

In addition to normative susceptibility, collectivism has been discussed as one of the social factors in this study to influences consumer attitudes towards piracy. As Hsu et al., (2008) found that collectivism is target-specific. It could be that certain individuals are collectivistic to certain group of people and individualistic towards others. Moreover, Hofstede (2001) found that slower economic development countries are more collectivistic as compared to developed countries. Many researchers such as Simpson, Banerjee, and Simpson (1994); Logsdon, Thompson, and Reid (1994) concluded that collectivism is one of the major factors in influencing consumer attitude toward pirated software which, in turn influences purchase behavior.

H3: Collectivism has a statistically significant relationship with consumers’ attitude towards pirated software.

H4: Collectivism has a statistically significant relationship with consumers’ attitude towards social consequences.

The first personality factor to be investigated in this study is novelty seeking. Hawkins et al., (1980) defined novelty seeking is curiosity of individual to seek for variety and difference. A consumer who likes to try new products would probably have favorable attitude towards pirated products. Similarly, Wang et al., (2005) found that novelty seeking is the most important determinant that affected consumers’ attitude toward piracy which leads to purchase intention of pirated software. To examine whether there is a relationship between novelty seeking and consumers’ attitude towards piracy, the following research hypotheses are developed:

H5: Novelty seeking has a statistically significant relationship with consumers’ attitude towards pirated software.

H6: Novelty seeking has a statistically significant relationship with consumers’ attitude towards social consequences.

In addition to novelty seeking, value consciousness also tested in this study, which is conceptualized as a concern for paying lower price and the customers may value the product based on the benefits they gain as compared to the cost of buying it (Monroe, 1973). As Cordell et al., (1996) found that consumers will select a counterfeited product over an original product when there is a price advantage. In other words, the significant difference in price between pirated version and original one seem to be an important factor of purchasing pirated products. Based on this analysis, the researchers postulated the following hypotheses.

H7: Value consciousness has a statistically significant relationship with consumers’ attitude toward pirated software.

H8: Value consciousness has a statistically significant relationship with consumers’ attitude toward social consequences.

Group B: The purpose of the four hypotheses in group B was to analyze the effects of attitude towards pirated software, attitude towards social consequences, subjective norm, and perceived behavioral control on consumers’ pirated software purchase behavior. Wee et al., (1995) examined the influence of attitude towards piracy on customers’ purchase behavior of pirated products (such as software, leather wallets and purses, and watches) and concluded that attitude towards piracy was positively related to purchase behavior for all pirated products. This means that the customers who have favorable attitude towards piracy will tend to purchase more counterfeit products in a variety of categories. Additionally, Kwong et al., (2002) indicated that attitude towards piracy has a significant impact on purchase behavior of pirated software among consumers in Hong Kong. In line with this, the study of Wang et al., (2005) found that consumers’ attitude toward pirated software and social consequences are the major factors in determining the purchase intention of pirated software in the future. This means that consumers who viewed piracy positively were likely to purchase pirated software themselves and recommend to their friends. Thus, the researchers established the following two hypotheses:

H9: Attitude towards pirated software has a statistically significant relationship with consumers’ pirated software purchase behavior.

H10: Attitude towards social consequences has a statistically significant relationship with consumers’ pirated software purchase behavior.

Ajzen (1991) suggested that consumers’ behavioral intention is also driven by subjective norm, which refers to the perception of social pressure regarding to specific behaviors such as pirated software purchase behavior. Additionally, Nancy (1999) found that peer pressure is one of the antecedents of buying counterfeit products. People are more likely to purchase a counterfeited product if there is peer pressure to do so.

H11: Subjective norm has a statistically significant relationship with consumers’ pirated software purchase behavior.
Perceived behavioral control was also investigated in this study. According to Ajzen (1991), perceived behavioral control is defined as the individual’s perception of how easy and/or difficulty inherent in performing a specific behavior, and it was found to be positively related to behavior intention, which in turn, influences actual behavior. This means that the more an individual finds it to be easy to perform a specific behavior the more likely this individual will display the intention to such behavior. In the case of pirated software, Moores et al., (2009) conceptualized perceived behavioral control in terms of the ease that individuals believe they can find, purchase, make, or use pirated software and found that perceived behavioral control is strongly related to consumer’s behavior such as buy and use pirated software among American students. Therefore, the following hypothesis was created:

H12: Perceived behavioral control has a statistically significant relationship with consumers’ pirated software purchase behavior.

**Group C**: The purpose of the three hypotheses in group C was to compare the consumers’ pirated software purchase behavior when segmented by demographic characteristics consisting of gender, age and income levels. There are many previous studies have shown that different gender tend to vary in purchasing pirated software. Tan (2002) revealed that purchasing intention of pirated software is moderated by gender. The researcher found males have higher purchase intention in comparison to females, since males tend to have favorable attitude towards piracy than females. This is in line with Cheung (2006) who identified gender as a significant variable to influence the purchasing behavior of pirated software.

There is a difference in consumers’ pirated software purchase behavior when segmented by gender.

Many prior literatures have reported the effect of age levels on piratical behavior. For instance, Wickham et al., (1992) found that younger academics tend to purchase and use more pirated software as compared to older ones. Similarly, Tan (2002) stated that younger consumers have higher purchasing behavior of pirated software than older consumers. Additionally, Kwong et al., (2003) also showed that age is negatively related to intentions to purchase pirated products. This implied that older consumers would exhibit more ethical belief, and thus less likely to engage in purchasing pirated products. Based on prior studies, pirated software purchase behavior is expected to be different when determined by age levels. Therefore, the researchers postulate the following hypothesis:

H13: There is a difference in consumers’ pirated software purchase behavior when segmented by age levels.

In addition to gender and age levels, several researchers have been argued that people of different levels of income tend to vary in their willingness to buy and use pirated products. As Tom et al., (1998) mentioned that consumers who earned less income tend to purchase and use more counterfeit or pirated products as compared to those who earned high income. This is consistent with the findings of Wang (2005) who explained that price and cost benefits will place priority and increase the intention to purchase a pirated product. Based on this realization, this allows the researchers to arrive at the final hypothesis of this study.

H14: There is a difference in consumers’ pirated software purchase behavior when segmented by income levels.

**CONCEPTUAL FRAMEWORK**

Based on the literature reviews, the researchers created a new research model. According to the conceptual framework, the independent variables of this study consisting of normative susceptibility, collectivism, novelty seeking, value consciousness, subjective norm, perceived behavior control, and demographic characteristics such as gender, age levels and income levels. The intervening variable is consumer’s attitude towards piracy which composed of attitude towards pirated software and attitude towards social consequence. The dependent variable of this study is consumers’ purchase behavior of pirated software. The conceptual framework is shown in Figure 1.

**RESEARCH METHODOLOGY**

In this study, the researchers applied descriptive research by utilizing the survey method. As survey technique is used by distributing questionnaires to respondents in Bangkok, Thailand from January to February, 2010. The target population of this study was consumers who had purchased illegal software copies and live in the Bangkok metropolitan area. For each item of each variable, the respondents had to indicate their level of agreement or disagreement on a seven-point Likert scale with anchor points strongly disagree and strongly agree. To collect the data, the researchers designed two-steps sampling plan of non-probability sampling to reach the sampling unit. The research hypotheses in this study will be tested by path analysis using Structural Equation Modeling (SEM), One-way Analysis of Variance (ANOVA), and Independent T-Test.

**MEASUREMENT MODEL ASSESSMENT**

Following the confirmation factor analysis for each construct in the model, the overall construct measurement model should be assessed for the psychometric properties and unidimensionality of the measures. The quality and adequacy of the measurement model can be evaluated on the overall model fit to the data, and investigating the reliability, convergent and discriminant validity.

First, the researchers used seven common criteria which consist of chi-square to degree of freedom ratio \((x^2/df)\), the root mean square error of approximation (RMSEA), the goodness of fit index (GFI), the adjusted goodness of fit index (AGFI), the normed fit index (NFI), the nonnormed fit index (NNFI) and the comparative fit index (CFI) in order to evaluate the fitness of the measurement model with the sample data. For the measurement model, comparison of all fit indices, with their corresponding recommended values, indicated a good model fit \((x^2/df = 1.117, RMSEA = 0.018, GFI = 0.918, AGFI = 0.900, NFI = 0.926, NNFI = 0.990, CFI = 0.992)\). The results are shown in Table 1. Second, convergent validity was assessed based on the criteria that the indicator’s estimated coefficient was significant on its posited underlying construct factor. The measurement scales were evaluated using the three criteria recommended by Fornell and Larcker (1981):
Figure 1: The Modified Conceptual Framework of Factor Affecting Consumers’ Pirated Software Purchase Behavior.

Table 1: Fit indices for measurement model

<table>
<thead>
<tr>
<th>Fit indices</th>
<th>Recommended value</th>
<th>Measurement model</th>
</tr>
</thead>
<tbody>
<tr>
<td>$x^2$/df</td>
<td>$\leq 3.00$ (Carmines and McIver, 1981)</td>
<td>1.117</td>
</tr>
<tr>
<td>RMSEA</td>
<td>$\leq 0.05$ (Hair et al., 1998)</td>
<td>0.018</td>
</tr>
<tr>
<td>GFI</td>
<td>$\geq 0.90$ (Hu and Bentler, 1999)</td>
<td>0.918</td>
</tr>
<tr>
<td>AGFI</td>
<td>$\geq 0.80$ (Segars and Grover, 1993)</td>
<td>0.900</td>
</tr>
<tr>
<td>NFI</td>
<td>$\geq 0.90$ (Schmacker and Lomax, 1996)</td>
<td>0.926</td>
</tr>
<tr>
<td>NNFI</td>
<td>$\geq 0.90$ (Schmacker and Lomax, 1996)</td>
<td>0.990</td>
</tr>
<tr>
<td>CFI</td>
<td>$\geq 0.90$ (Schmacker and Lomax, 1996)</td>
<td>0.992</td>
</tr>
</tbody>
</table>
(1) All indicator factors loading should be significant and exceeded the recommended value of 0.50. 
(2) Construct reliabilities should exceed the recommended threshold value of 0.70 (Nunnally and Bernstein, 1994). 
(3) Average variance explained (AVE), it should be at least 0.50 or approximately 50% of the total variance to exhibit convergent validity.

The Cronbach’s alpha of all constructs were ranged from 0.83 to 0.91 for Thai sample which exceed the recommended value of 0.70 (Nunnally and Bernstein, 1994), thus each construct in the model exhibited strong internal reliability. In addition, all indicator factor loadings surpassed the minimum recommended threshold of 0.50 (Fornell and Larcker, 1981). Moreover, the average variance extracted (AVE), ranging from 0.59 to 0.75 for Thai sample which was greater than the minimum recommended value of 0.50 (Fornell and Larcker, 1981). In conclusion, all three conditions for assessing convergent validity were achieved; therefore the results indicated that the measurement model has sufficient convergent validity.

In this study, Structural equation modeling (SEM) was employed to assess the data-model fit and to test the hypothesized relationships between theoretical constructs (from hypothesis one to hypothesis twelve) by using AMOS 16.0. SEM is known as latent variable analysis or causal modeling as it provides parameter estimates of the direct and indirect links between observed variables, and has ability to accommodate and test multiple interrelated dependence relationships in a single model (Hair et al., 2006). In Figure 2, the boxes represent the variables, whereas the circles indicate latent or unobserved variables. According to the model as shown in Figure 2, the exogenous variables (ξ_i) were measured by X variables. There are four indicators used for the construct of normative susceptibility (ξ_1); four indicators used for the construct of collectivism (ξ_3); four indicators used for the construct of novelty seeking (ξ_5); four indicators for construct of value consciousness (ξ_6); three indicators for the construct of subjective norm (ξ_8) and three indicators for the construct of perceived behavioral control (ξ_9). In similar, the endogenous variables (η_j) in the model were measured by Y variables. There are three indicators used for the construct of consumers’ attitude towards pirated software (η_1); four indicators used for the construct of consumers’ attitude towards social consequences (η_2); and four indicators which were used for the construct of the consumers’ purchase behavior of software (η_3). As shown in Table 2, the results indicated a good fit between the hypothesized model and the data. The Chi-Square to degree of freedom ratio is 1.326, within the recommended reasonable fit level of between 2 and 1 (Carmines and McIver, 1981). Other measure of fit also indicated adequate model fit statistics; the goodness-of-fit index (GFI) = 0.902 (>0.90), the adjusted goodness-of-fit index (AGFI) = 0.886 (>0.80), the normal fit index (NFI) = 0.908 (>0.90), the Tucker-Lewis index (TLI or NNFI) = 0.973 (>0.90), the comparative fit index (CFI) = 0.975 (>0.90), and the root mean square error of approximation (RMSEA) = 0.031 (<0.05). All the model-fit indices exceeded their respective common acceptance levels, thus indicating the model fit the data well.

CONCLUSION AND DISCUSSION

The results of the hypotheses tests are shown in Table 3. The findings indicate that social factors, such as normative susceptibility, and personality characteristics, along with value consciousness and novelty seeking, have significant influences on the attitude towards pirated software. Conversely, consumer’s attitude towards social consequences was not found to be influenced by these factors. Normative susceptibility is shown to strongly influence consumer’s attitude towards pirated software. This means that as self-image plays a huge role, normative susceptibility consumers may possess the desire to own original or legal software instead of the pirated one in order to impress others. By contrast, collectivism did not show any effect on consumers’ attitude towards pirated software. The results show that value conscious consumers are more likely to have favorable attitude towards pirated software as compared to less value conscious consumers. Thus, the greater level of value consciousness, the more favorable attitude towards pirated software. There is a positive relationship between novelty seeking and consumer’s attitude towards pirated software. This implies that consumer who is inclined to try new software products would properly have positive attitudes towards pirated software since the low cost of illegal software is well suited to satisfying his or her curiosity and the need for experimentation.

Consumer’s purchase behavior of pirated software is strongly predicted by his or her attitude towards piracy. The factor structure of attitude toward piracy in this study consists of two components, including attitude towards pirated software and towards social consequences, each of which had a distinct affect on purchase behavior of pirated software.

This study finds that social influences, such as subjective norm, also play an important role in explaining consumers’ purchase behavior of unauthorized software. This implies consumers are more likely to purchase illegal software copies under the influence of their peers. If the individuals’ significant others, such as their family members, relatives, and friends, encourage them to purchase unauthorized software, they would be more likely to engage in purchasing behavior of unauthorized software.

Based on the findings of this study, the researchers found a significant difference in purchasing behavior of illegal software among consumers based on gender, age, and income. Although all consumer were found to engage in purchasing of pirated software, males, younger consumers, and lower income individuals were more likely engage in purchasing behavior of unauthorized software.
Figure 2: The structural model for Thailand sample

### Table 2: Summarized Results of Hypothesis

<table>
<thead>
<tr>
<th>Hypotheses</th>
<th>β</th>
<th>t-value</th>
<th>p-value</th>
<th>Support</th>
</tr>
</thead>
<tbody>
<tr>
<td>H₁: Normative Susceptibility → Pirated Software</td>
<td>-0.30</td>
<td>-5.271</td>
<td>***</td>
<td>Yes</td>
</tr>
<tr>
<td>H₂: Normative Susceptibility → Social Consequences</td>
<td>-0.08</td>
<td>-1.304</td>
<td>0.192</td>
<td>No</td>
</tr>
<tr>
<td>H₃: Collectivism → Pirated Software</td>
<td>0.06</td>
<td>1.047</td>
<td>0.295</td>
<td>No</td>
</tr>
<tr>
<td>H₄: Collectivism → Social Consequences</td>
<td>0.07</td>
<td>1.157</td>
<td>0.247</td>
<td>No</td>
</tr>
<tr>
<td>H₅: Novelty Seeking → Pirated Software</td>
<td>0.28</td>
<td>4.893</td>
<td>***</td>
<td>Yes</td>
</tr>
<tr>
<td>H₆: Novelty Seeking → Social Consequences</td>
<td>0.04</td>
<td>0.630</td>
<td>0.529</td>
<td>No</td>
</tr>
<tr>
<td>H₇: Value Consciousness → Pirated Software</td>
<td>0.28</td>
<td>4.893</td>
<td>***</td>
<td>Yes</td>
</tr>
<tr>
<td>H₈: Value Consciousness → Social Consequences</td>
<td>-0.05</td>
<td>-0.795</td>
<td>0.426</td>
<td>No</td>
</tr>
<tr>
<td>H₉: Pirated Software → Purchase Behavior</td>
<td>0.35</td>
<td>5.848</td>
<td>***</td>
<td>Yes</td>
</tr>
<tr>
<td>H₁₀: Social Consequences → Purchase Behavior</td>
<td>-0.17</td>
<td>-3.149</td>
<td>***</td>
<td>Yes</td>
</tr>
<tr>
<td>H₁₁: Subjective Norm → Purchase Behavior</td>
<td>0.25</td>
<td>4.522</td>
<td>0.002**</td>
<td>Yes</td>
</tr>
<tr>
<td>H₁₂: Behavioral Control → Purchase Behavior</td>
<td>0.30</td>
<td>5.028</td>
<td>***</td>
<td>Yes</td>
</tr>
</tbody>
</table>

**Model Goodness-of-fit statistics:**

- Chi-Square = 640.478
- RMSEA = 0.031
- GFI = 0.902
- AGFI = 0.886
- Degree of freedom = 483
- AGFI = 0.886

Notes: Standardized estimates are shown; p < 0.01 (**); p < 0.001 (***)

### Table 3: The summary of hypothesis testing results

<table>
<thead>
<tr>
<th>Null Hypothesis</th>
<th>Result of Hypothesis</th>
</tr>
</thead>
<tbody>
<tr>
<td>H₃: There is no relationship between normative susceptibility and consumers’ attitude towards pirated software.</td>
<td>Reject H₃</td>
</tr>
<tr>
<td>H₄: There is no relationship between normative susceptibility and consumers’ attitude towards social consequences.</td>
<td>Failed to reject H₄</td>
</tr>
<tr>
<td>H₅: There is no relationship between collectivism and consumers’ attitude towards pirated software.</td>
<td>Failed to reject H₅</td>
</tr>
<tr>
<td>H₆: There is no relationship between collectivism and consumers’ attitude towards social consequences.</td>
<td>Failed to reject H₆</td>
</tr>
<tr>
<td>H₇: There is no relationship between novelty seeking and consumers’ attitude towards pirated software.</td>
<td>Reject H₇</td>
</tr>
<tr>
<td>H₈: There is no relationship between novelty seeking and consumers’ attitude towards social consequences.</td>
<td>Failed to reject H₈</td>
</tr>
<tr>
<td>H₉: There is no relationship between value consciousness and consumers’ attitude towards pirated software.</td>
<td>Reject H₉</td>
</tr>
<tr>
<td>H₁₀: There is no relationship between value consciousness and consumers’ attitude towards social consequences.</td>
<td>Failed to reject H₁₀</td>
</tr>
<tr>
<td>H₁₁: There is no relationship between attitude towards pirated software and consumers’ pirated software purchase behavior.</td>
<td>Reject H₁₁</td>
</tr>
<tr>
<td>H₁₂: There is no relationship between attitude towards social consequences and consumers’ pirated software purchase behavior.</td>
<td>Reject H₁₂</td>
</tr>
<tr>
<td>H₁₃: There is no relationship between subjective norm and consumers’ pirated software purchase behavior.</td>
<td>Reject H₁₃</td>
</tr>
<tr>
<td>H₁₄: There is no relationship between perceived behavioral control and consumers’ pirated software purchase behavior.</td>
<td>Reject H₁₄</td>
</tr>
<tr>
<td>H₁₅: There is no difference in consumers’ pirated software purchase behavior when segmented by gender.</td>
<td>Reject H₁₅</td>
</tr>
<tr>
<td>H₁₆: There is no difference in consumers’ pirated software purchase behavior when segmented by age levels.</td>
<td>Reject H₁₆</td>
</tr>
<tr>
<td>H₁₇: There is no difference in consumers’ pirated software purchase behavior when segmented by income levels.</td>
<td>Reject H₁₇</td>
</tr>
</tbody>
</table>

**RECOMMENDATIONS**

The research findings have shown that consumers’ purchase behavior of pirated software is positively influenced by their attitude towards pirated software and significant others’ affects. Therefore, creating a negative attitude towards pirated software and building a consensus among their peers is one way of preventing pirated software purchasing. This study suggests that software companies might effectively differentiate their products from pirated products by emphasizing on warranties and after-sale service in order to increase favorable attitude towards original software. Additionally, the possible...
solution for reducing pirated software purchasing is educating teenagers to enhance their understanding toward copyrights. Other methods, such as creating effective anti-piracy campaigns and developing educational programs to enhance people awareness of the social cost of piracy would also appear to be appropriate for changing consumers’ attitude towards piracy.

In order to reduce consumers’ purchase behavior of pirated software, the government authorities and software manufacturers should work together to educate the masses on the negative impacts of pirated software and the serious hazards it will cause. Punishments should be imposed on both sellers and purchasers of illegal software copies in order to ensure that the copyright owners are properly protected. Such strategies should be in place to discourage the “demand” and “supply” side of pirated software. Therefore, an awareness of the punishments involved and a fear of the legal consequences may impact on consumer’s purchase behavior of unauthorized software. By publicizing the actual levels of punishment more clearly, it may be possible to increase consumers’ perceptions of the punishment, which in turn, reduce the purchasing of pirated software.

Promotion can be employed in order to encourage consumers to purchase the original software and software companies should focus on designing stronger differentiating product attributes and other innovations as fast as possible to be “a step ahead” of pirated software. Such approaches will also strengthen the belief that consumers are paying high prices for innovative and quality products. Price discrimination is suggested as a strategy for combating software piracy if the software firms can use lower price to encourage consumers to purchase original software. When the price of original software is reasonable for software consumers, the intention to purchase and use pirated software not only reduce, it also enhances consumers’ favorable attitudes towards original software.

**REFERENCES**


Just Do It: Motor Behavior Based Fluency Effects on Product Evaluations
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Akshay Rao, University of Minnesota, USA

EXTENDED ABSTRACT

The literature in consumer behavior has a long tradition of accounting for past experiences on current and future behavior. For instance, research on consumer expertise (Rao and Monroe 1988) recognizes the role of prior knowledge on product evaluation and choice. More recently, Dhur, Huber and Khan (2007) demonstrated the “shopping momentum effect” according to which an initial purchase enhances the probability of a subsequent purchase, even if the subsequently purchased product is unrelated to the originally purchased good.

We consider the impact of the repetition of a recently performed action or procedure during a subsequent product evaluation task. For instance, does the acquisition of visual information from top to bottom in an initial task yield predictable differences in product evaluations when the evaluative information is provided in a manner that forces the individual to read from top to bottom? Or, if an individual views a slow-moving object in an initial task, does that experience produce differences in the subsequent evaluation of a product when the evaluative information is conveyed slowly? Such phenomena are ubiquitous, whether it be the manner in which a print ad is read, and subsequent product information is presented; the pace of background music during a television commercial and the pace of accompanying music in the retail environment; or the speed with which animation appears in web-based advertising, and related information appears at point-of-sale. Whether and how such prior motor behavior impacts evaluation if the evaluative process requires the employment of a similar motor procedure is a phenomenon that is likely of both theoretical and practical interest.

We draw from procedural knowledge theory (Smith 1990), according to which, practicing a procedure might increase the ease with which people apply that procedure in a later situation (Kolers 1976). If consumers happen to reuse a previously employed motor procedure while processing information about a product, the experience of ease or “fluency” associated with the re-use of the procedure could be misattributed to the product, thus enhancing product evaluations (Novemsky et al. 2007; Kim, Rao and Lee 2009; Thompson and Hamilton 2006).

Study 1 provides evidence supportive of our assumptions. Participants were told that the study was designed to assess consumers’ ability to search for information on subway maps. On this pretense, they were sequentially exposed to four subway maps. In each map, one subway station (A) appeared at the top of the map and another station (B) appeared at the bottom. Participants were asked to count the number of stations they would encounter if they traveled from A to B, or from B to A. This task induced the directional orientation prime. Participants were forced to read the map from top to bottom or from bottom to top. After participants completed this task, they were asked to evaluate a coffee cup that either descended to the middle of their computer screen, or ascended to the middle of the screen, depending on condition. We found that participants evaluated the coffee cup more favorably if the orientation of reading maps and the visual orientation of the appearance of the product were consistent. The effect was mediated by the fluency that participants experienced while examining the product.

Study 2 generalized this motor fluency effect using an alternative motor procedure, namely, speed. Participants were asked to remember four numbers that were displayed on a computer screen. Each number moved from the left to the middle of the screen either very rapidly or slowly. After participants had memorized the numbers, they were given a filler task in which they were asked to evaluate a product (a chair) as a pretest for future experiments. To this end, participants were exposed to a picture of a chair that either moved from the left to the middle of the screen very rapidly or slowly. We found that participants evaluated the product more favorably when the speed of presenting a product was consistent (vs. inconsistent) with the speed that was primed in the previous situation. The effect was mediated by the fluency that participants experienced while examining the product.

People’s reaction toward a product could not only be influenced by the motor procedure that had been employed previously, but also by the feelings that are elicited by a previous experience. For example, if consumers experienced negative affect while employing a particular procedure, reemploying that procedure during another, product evaluation task, could yield the transfer of negative affect to the product being evaluated. Study 3 examined this possibility. The procedure employed in this study was similar to that used in study 2 except that participants were asked to remember names of four disgusting insects instead of numbers. We found that participants evaluated a product more negatively when the speed of presenting the product was consistent (vs. inconsistent) with the speed of presenting the pictures of disgusting insects in a previous situation, suggesting that negative feelings that were induced by seeing the insects were more likely to transfer to the product in consistent rather than inconsistent conditions.

Studies 1-3 employed a motor procedure that was employed passively. In study 4, we assess whether procedures that are actively employed during the evaluation task yields the same effects. We found that participants who engaged in a motor procedure consistent with the movement associated with a stimulus (they moved their hands upwards, palm-up, or downwards, palm-down, while they evaluated a product stimulus that ascended or descended on a computer screen) evaluated the stimulus more favorably.

Our findings suggest that experiences of fluency can occur not only due to similarity in the thought processes employed or the information examined, but also due to the physical or motor procedures employed. This research therefore contributes to the area of processing fluency and enhances the understanding of the effect of motor procedure on consumer evaluation.

REFERENCES


THE IMPACT OF SELF-CONSTRUAL ON EXPERIENCE CONSUMPTION EVALUATIONS

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Laura Peracchio, University of Wisconsin - Milwaukee, USA

EXTENDED ABSTRACT

In the United States as well as many other parts of the world, experience consumption, such as pursuing leisure and entertainment experiences, has been quickly growing (e.g., Pine and Gilmore 1999). The delivery and marketing of experience consumption differ from traditional product or service marketing in important ways (Etgar 2008; Gilmore and Pine 2007). For one, experience consumption includes process as a critical element of consumption. Many consumers pursue the consumption of experiences (e.g., watching a basketball game) not only for a particular outcome (e.g., their favorite team wins the game), but also for the process through which the outcome unfolds (e.g., an exciting game). While both process and outcome are components of experience consumption, little is known about their relative role in the evaluation of experience consumption. Our paper takes a contingency view and explores conditions that affect the relative importance of process versus outcome on the evaluation of experience consumption. Specifically, we propose a theoretical framework that examines an individual difference variable (i.e., self-construal) and a situational variable (i.e., consumers’ role in the experience: spectator vs. participant) as moderators of process versus outcome antecedents on experience consumption evaluations.

Two major types of self-construal—inde­pen­dent and inter­de­pend­ent—have been well established in the literature (Markus and Kitayama 1991). Individuals with an independent self-construal (hereafter) accentuate self-related features and minimize the influence of others in the self-schema (Singelis 1994). On the other hand, individuals with an interdependent self-construal (hereafter) think about themselves more often from a group perspective and value connections and integration with other individuals (Singelis 1994). These two groups of individuals have been found to differ in many aspects of judgment and decision making (e.g., Nisbett et al. 2001; Ahluwalia 2008; Zhu and Meyers-Levy 2009). Of particular relevance to our research is the finding that individuals with these two types of self-construals focus on information of varying levels of abstractness (e.g., Kühnen et al. 2001; Rhee et al. 1995; Ng and Houston 2006). An independent self-construal activates more abstract thinking that is context independent, and an interdependent self-construal fosters more concrete thinking that is context dependent.

According to the construal level theory and means-end theory, the process and outcome aspects of an experience are associated with different levels of abstraction (Zhao et al. 2007; Gutman 1982; Trope and Liberman 2003). Specifically, the outcome aspect of the experience is more abstractly construed, while the process dimension is more concretely perceived. Compared to process, outcomes of an experience (ends) entail more superordinate information such as desirability, ultimate goals, and purposes of the experience (Agrawal and Wan 2009; Trope and Liberman 2003). On the other hand, processes that lead to the end states (means) reveal more specific contextualized information regarding how the event unfolds, and how the outcome (end states) is achieved.

As the outcome (process) of experience consumption is relatively more abstract (concrete), we expect that interdependents and independents will weigh these two antecedents differently when making evaluations. Specifically, independents (vs. interdependents), who rely more on abstract and decontextualized information, should be more influenced by the consumption outcome. However, interdependents (vs. independents), who follow a concrete, contextualized processing style, are likely to be influenced more by the consumption process.

Study 1 examined our hypothesis when respondents assumed the role of a spectator in the experience (e.g., watching a basketball game). A 2 (self-construal: independent vs. interdependent) x 2 (experience: positive process but negative outcome vs. negative process but positive outcome) between-subjects full-factorial design was employed to examine our theory. As predicted, independents reported more favorable evaluations towards experience that featured a positive outcome but negative process, while interdependents reported more favorable evaluations towards experience that featured a positive process but negative outcome.

In addition to being a spectator of an experience as examined in study 1, consumers can also assume the role of a participant (e.g., playing a game). Study 2 extended the results of study 1 by examining the role assumed by respondents in the experience. A 2 (self-construal: independent vs. interdependent) x 2 (experience: positive process but negative outcome vs. negative process but positive outcome) x 2 (role: participant vs. spectator) between-subjects full-factorial study was conducted. Our results replicate the findings of study 1 when respondents assumed the role of spectators. However, the results in study 1 were reversed when respondents assumed the role of participants. We attributed this finding to an actor-observer difference (Kelley and Michela 1980; Snyder, Stephan, and Rosenfield 1976).

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Immediate and Delayed Post-consumption Evaluations and Consumer Loyalty: A Study Based on the Hedonic and Utilitarian Dimensions

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Qingwen He, Renmin University of China, China
En-Chung Chang, Renmin University of China, China*
Xiaomeng Fan, Purdue University, USA

EXTENDED ABSTRACT

As previous studies have suggested, the hedonic and utilitarian dimensions of products induce a post-consumption emotional disparity, thus an evaluative distinction in consumer loyalty. Nevertheless, one-time evaluations have proven insufficient in reflecting the actual circumstances in consumer behavior. A dynamic evaluation - integrated with the time dimension element – would therefore more truthfully reflect the reality. This particular study verifies post-consumption emotional disparity under both immediate and delayed circumstances, and how it consequently affects a shift in consumer loyalty.

THEORY AND HYPOTHESES

Chitturi, Raghunathan, and Mahajan (2008) built a post-consumption emotional framework concerning products’ hedonic and utilitarian benefits on testing models of consumption experience by Mano and Oliver (1993). They found that greater hedonic attributes lead to greater excitement and cheerfulness, thus a higher delight. Greater utilitarian attributes, on the other hand, inspire a higher level of security and confidence, and they encourage greater consumer satisfaction. Products of lower hedonic benefits induce a higher extent of post-consumption dissatisfaction. Finally, products of lower utilitarian attributes cause a greater degree of anger.

None of the previous studies on post-consumption emotional manifestations with respect to products’ hedonic and utilitarian benefits have taken into account the effect of immediate and delayed evaluations (Chitturi, Raghunathan, and Mahajan 2008; Erevelles 1998). The basis for conducting a post-consumption evaluation changes as soon as the delayed element is factored into the process. In other words, an immediate post-consumption evaluation is based on consumers’ actual consumption experience (Robinson and Clore 2002; Xu and Schwarz 2009), whereas a delayed evaluation is grounded on consumers’ recollection of their actual emotional state during the consumption process.

Emotions are directly linked to memories of emotionally arousing experiences (McGaugh 2004). Basing his studies on neuropsychological revelations, McGaugh discovered that the arousal level of emotions and follow-up memories are intimately correlated. Positive, highly arousing emotions include: excitement, happiness and delight; in contrast, negative of highly arousing emotions are: frustration, anger, anxiety, and sorrow (Russell, 1980; Roseman, 1991). Post-consumption satisfaction/dissatisfaction is classified as less emotionally arousing (Russell, 1980; Chitturi et al, 2008). Empirical studies of the past also testified the existence of the enhancement effect of highly arousing emotions when consumers recall their assessment of products bought (e.g. McFarland, Ross, and DeCourville, 1989; Morewedge et al., 2005; Miron-Shatz, Stone and Kahneman, 2009). Indirect evidence also exists to indicate that evaluations made amidst low arousal emotions would change over the course of time (e.g. Bywater, Andrade and Turpin, 2004).

Recent studies on post-consumption emotions for hedonic and utilitarian benefits of products asserted that cheerfulness and excitement inspired after buying products of superior hedonic benefits would generate a higher level of delight (Chitturi et al. 2008). According to studies by Oliver, Rust, and Varki (1997) and Rust and Oliver (2000), “delight” plays an ultimate role on affecting consumer loyalty. The emotions of security and confidence inspired after consuming products of superior utilitarian attributes would directly encourage greater consumer satisfaction, and ultimately result in a difference in consumer loyalty (word-of-mouth and repurchase intentions). Conversely, negative post-consumption emotions of dissatisfaction and anger are reported after consuming products of inferior hedonic and utilitarian attributes, respectively. Yet when comparing dissatisfaction to anger, the latter would further discourage consumers to make word-of-mouth referrals (Westbrook 1987).

Therefore, the research hypotheses are developed:

H1: Happiness and excitement inspired after consuming products of higher hedonic benefits would induce an enhancing bias in delayed evaluation of emotions;

H2: Security and confidence inspired after consuming products of higher utilitarian benefits would induce a weakening bias in delayed evaluation of emotions;

H3: Dissatisfaction inspired after consuming products of lower hedonic attributes would induce a weakening bias in delayed evaluation of emotions;

H4: Anger inspired after consuming products of lower utilitarian attributes would induce an enhancing bias in delayed evaluation of emotions.

H5: An enhancing bias from a delayed evaluation of emotions for products with superior hedonic attributes would inspire a positive change in the delayed evaluation of word-of-mouth referrals and repurchase intentions.

H6: A weakening bias from a delayed evaluation of emotions for products with superior utilitarian attributes would inspire a negative change in the delayed evaluation of word-of-mouth referrals and repurchase intentions.

H7: A weakening bias from a delayed evaluation of emotions for products of inferior hedonic attributes would inspire a positive change in the delayed evaluation of word-of-mouth referrals and repurchase intentions.

H8: An enhancing bias from a delayed evaluation of products with inferior utilitarian attributes would inspire a negative change in the delayed evaluation of word-of-mouth referrals and repurchase intentions.

METHODOLOGY AND MAJOR FINDINGS

We sought to measure consumers’ post-consumption emotional responses and sense of loyalty (word-of-mouth and repurchase intentions) upon consuming a batch of biscuits during immediate and delayed evaluations. The experiment features 4 (hedonic/utilitarian benefits: superior hedonic attributes, superior utilitarian attributes; inferior hedonic attributes, and inferior utilitarian features) * 3 (durations delayed: immediate, a half-hour delay, and a 24-hour delay) two-factor between subject design. All participants were undergraduate students still
in school. There were a total of 360 participants, who were divided into 12 groups of 30 people each.

We measured post-consumption emotional responses using the positive/negative emotions scale adopted by Mano and Oliver (1993), and Chitturi et al. (2008). For consumer loyalty, we chose the word-of-mouth and repurchase intentions framework by Jacoby and Chestnut (1978) for measurement.

The results of ANOVA and Tukey’s HSD pair-comparison tests showed that consumers’ post-consumption evaluations of emotions and consumer loyalty were significantly different under immediate and delay conditions, verifying all the proposed hypotheses.

RESEARCH AND MANAGERIAL IMPLICATIONS

This study first expanded the scale of singular, individual evaluations of post-consumption emotions and consumer loyalty to weigh in different consumer behavioral dynamics, affected by different stretches delays in the context of multiple evaluations. Using a CRM system, secondly, companies can invite evaluation and referrals from consumers at different times based on the type of products purchased, to maximize consumer loyalty evaluation as well as conduct effective word-of-mouth referrals. In addition, when dealing with complaints or criticisms, companies can summarize consumer’s emotional status based on the attributes of the product purchased, and remedy the negative response or marketing priority accordingly.

REFERENCES


**EXTENDED ABSTRACT**

Suppose a consumer sees a sequence of movie trailers at the start of a feature film. Would a consumer’s evaluation of a movie trailer be influenced by the serial position of the trailer in a sequence? Would the sequential order effects be different when the consumer only hears trailers on a radio or when the consumer sequentially reads descriptions about different movie trailers in the newspaper instead of when a consumer watches and hears the trailer (as in a movie theater or on television)? Finally, would these potential order effects be different if the consumer is distracted (e.g., Nowlis and Shiv 2005)? While there is extant research on order effects (Biswa, Biswas, and Chatterjee 2009; Gürhan-Canli 2003), no study has examined the sequential order effects of evaluating products with different degrees of experientiality and the associated moderating effects of product distraction.

Although normatively, a consumer should be indifferent to the order effects of evaluating stimuli in a sequence, two effects typically emerge: primacy effects – where the first stimulus encountered is more influential (and/or favorably evaluated), and recency effects – where the last information is more influential (Gürhan-Canli 2003). Although there has been extensive prior research on order effects across different contexts and domains, no study has examined how the order effects of stimuli might be influenced by the degree of experientiality of the products, and the potential moderating effects of consumer distraction. From a practical perspective, marketers can often influence the serial position placement of their products (such as trailers at a movie theater). Hence, it becomes important to examine how such serial position decisions might relate to the degree of experientiality of the product in influencing consumer product evaluations. Moreover, although there have been prior studies that have examined the experiential aspects of consumption (Holbrook and Hirschman 1982), no study has examined how the degree of experientiality can influence consumer judgments while evaluating a sequence of products.

Drawing upon literature in marketing, psychology, and neuroscience, we propose that when consumers evaluate a sequence of products with high degree of experientiality (such as watching movie trailers at a theater), there will be a recency effect (i.e., more favorable evaluation for the stimulus encountered sequentially last), and the effects are magnified when evaluating a sequence of products with moderate degree of experientiality (such as listening to movie trailers on the radio); these effects are attenuated under high distraction. In contrast, while evaluating a sequence of products with low degree of experientiality (e.g., when reading the written description of movie trailers in a newspaper), there will be a primacy effect (i.e., more favorable evaluation for the stimulus encountered sequentially first) under low distraction and recency effects under high distraction.

In Study 1, we tested our hypothesis that when evaluating a series of products with very high or moderate degrees of experientiality, consumers would have the most favorable judgments for the product evaluated sequentially last with the effects being weaker for products with a higher degree of experientiality. Study 1 was a 1-factor between-subjects experiment with two levels of degree of experientiality (high vs. moderate). Movie clips were used as high degree of experientiality products while audio clips were used as moderate degree of experientiality products. Everything was counterbalanced. The results of Study 1 showed that consistent with our hypothesis, a higher proportion of participants indicated that they liked the second movie/audio clip more than the first, implying a recency effect, and this effect was observed for both the high and the moderate degrees of experiential products. More interestingly, the recency effects were relatively weaker for the highly experiential product (video clips) compared to the moderate degree of experiential products (audio clips).

Study 2 examined the order effects of evaluating a sequence of products with high versus low degrees of experientiality and the moderating effects of distraction. In Study 2 we tested the hypothesis that under low distraction, when evaluating a series of products with high/moderate degree of experientiality, consumers would have the most favorable judgments for the product evaluated sequentially last; this effect would be attenuated under high distraction. Also, under low distraction, when evaluating a series of products with low degree of experientiality, consumers would have the most favorable judgments for the product sequentially first: under high distraction, when evaluating a series of products with low degree of experientiality, consumers would have the most favorable judgments for the product evaluated sequentially last. Study 2 was a 2 (degree of experientiality in sequence of products: high vs. low) X 2 (distraction: low vs. high) between-subjects experiment. As in study 1, movie clips were used in the high degree of experientiality condition while newspaper clips were used in the low degree of experientiality condition. In the low degree of experientiality condition, participants read written descriptions of the movies in simulated newspaper clips about the movies. Everything was counterbalanced. Distraction was manipulated by giving participants a concurrent task (e.g., Biswas et al. 2009). The results of Study 2 showed that consistent with our hypothesis, for the low degree of experientiality products (newspaper clips), under low distraction there were primacy effects in that there was greater preference for the first sequential product. However, under high distraction, the effects reversed to recency effects, in that there was greater preference for the sequentially last (second) product. In contrast for the high degree of experientiality products (movie video clips), under low distraction, there were recency effects. Under high distraction, these effects got attenuated.

In conclusion, the results of two experiments highlight how the degree of experientiality of the sampled products might influence order effects of product serial position. The results suggest a somewhat inverted U-shaped pattern of results. That is, when evaluating a sequence of products with very low degree of experientiality (such as stimuli in printed format), primacy effects are observed. For a sequence of products with moderate degree of experientiality (such as audio clips), strong recency effects are observed. When the degree of experientiality gets...
higher (such as for video/movie clips), weaker recency effects are observed.

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