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The Effect of Attribute Order and Variety on Choice Demotivation: a Field Experiment on German Car Buyers

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Previous research has shown that too much choice leads to choice demotivation. In two studies with Audi car customers making a sequence of real choices we test the effect of attribute order and variety on choice demotivation. We operationalize choice demotivation as the propensity to accept the default option. We find that default taking increases as participants proceed through the decision sequence, but that the slope of this tendency is greater when attributes are ordered from most varied to least varied rather than from least varied to most varied. Participants were also more satisfied in the least to most condition.

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Whether the palliative is jazz or emo, it is common for fringe youth microcultures to identify with a musical genre that gives voice to feelings of alienation. However, the place where these youth connect—their *touchspace*—has morphed from yesterday's coffeehouse to today's website. The purpose of this project is to chronicle how adherents of the emo microculture relieve alienation by finding and communicating with other “like me” participants. We will identify emergent themes relative to communication, ritual, and resistance within this new cyber-mediated, anomic microculture.

Adolescence is for many a tormented period characterized by an approach-avoidance conflict—the need for connectedness (cf. Edgette 2002) coupled with feelings of alienation from adults and social institutions. We can view adolescent alienation within the framework of *anomie*, originally articulated by Emile Durkheim as instability within society due to normlessness. This void produces a “...personal sense of unrest, alienation, and uncertainty” (Garfield 1987, p. 276). Although these concepts have been used to explain congregational behaviors from union organizing to mafia social clubs, there have been few attempts to study anomic youth-oriented groups like emo.

Microcultures form and evolve on the basis of strong identification with an activity or art form.⁵ Gans (1974) proposed that people can be categorized into taste cultures based on their individual orientations toward popular culture—in this case, musical taste. We regard the emo phenomenon as a taste culture characterized by shared anomie and the strong propensity to communicate this central theme by constructing a community (offline or online) that shares and reinforces preferences for music and associated clothing styles, hair styles, hang-outs, etc.

McLeod and Chaffee (1972) suggest that social reality is created when an individual receives information from a mediated source such as television or a website; the verisimilitude of this information often rivals that of direct physical observation or real world (i.e., offline) social interaction. The evolving emo genre is a mass-mediated microculture.⁶ Like the beatniks that preceded them, “emo kids” find and connect with one another through music, slang, rituals, and clothing. Emo, short for emotional, is a label both for a musical genre and for the youthful adherents to that genre. Although there are different manifestations of this microculture (e.g. hardcore—extremely abrasive, screamo—screaming lyrics, or post-emo indie rock—softer lyrics), the common thread uniting emo kids is a strong current of alienation, bridging feelings of anger and hurt. Emo song lyrics are histrionic, often desperate, and maybe even whiney. These lyrics from the song “Three Weeks” by the emo artist Aaron Anatasi are typical of this angst: “You are treating me so differently / so different, I can't explain / I feel like I'm invisible to you.”

Emo kids tend to look like they have just shopped at a garage sale. They often sport work jackets, too-small jeans, and old Chuck Taylor sneakers. The emblematic hairstyle is short, slick, dyed-black hair with pronounced bangs. Their “stores of choice” are retailers that carry the look Hot Topic stores have popularized, although most purchases are made at thrift stores for economy and originality. Emo kids interact primarily on the web, though they may also at times link up at small independent shows. Emo has yet to penetrate mass youth culture. Although a few emo bands have “made it” to MTV, emo kids generally view this commercial success as a form of betrayal.

Method

We will sample a diverse set of photos, movies, websites (including MySpace.com, the emos' primary gathering place in cyberspace) and blogs to document the emerging emo microculture. Our goal is to identify emergent themes relative to communication, ritual, and resistance as part of our quest to understand how the consumption practices of significant numbers of youths are mediated by this anomic microculture.

Expected Results

We will report results from the first stage of an ongoing project that will chronicle the successive waves of alienation-based youth microcultures since WWII, from the Beatniks of the 1950s to the emos of today (e.g. Mods, Hipsters, Punks). The ongoing study will identify emergent themes relative to communication, ritual, and resistance/alienation as expressed both in offline and online venues by successive generations of anomic consumers.

We expect that this study will uncover emergent themes associated with varying levels of anomia dependent upon the centrality of the emo experience to the respondent. Emos who are at the core of the movement, participating at every level (e.g. music, clothing, rituals) to construct a lifestyle will demonstrate greater degrees of anomic behavior. As participation ripples toward the periphery (e.g. ‘posers’ that just like the distinctive hair but not the music), we expect to observe less anomic behavior as the intensity of identification with this musical genre decreases.

Returns: A Motivational Perspective

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Background & Conceptualization

Product returns are a vital issue among retailers and distributors in today's marketplace. Cost of returns range from 5% to as much as 30% of sales in some according to a recent article in the Wall Street Journal and, in aggregate, cost retailers billions of dollars a year (Hess and Mayhew, 1997). This is in addition to various hidden costs that are frequently difficult to model such as consumer disloyalty resulting from disappointing product and unpalatable return experiences and the logistics costs of managing the reverse supply chain.

Research conducted on returns phenomena has been sparse and, where existent, has tended to focus on modeling financial and demographic aspects of returns processes. Padmanabhan (1997) modeled the financial feasibility of various return policies; Hess and

⁵Researchers have historically referred to these groups as subcultures (e.g. Hall and Jefferson 1976; Hebdige 1979), but some analysts are starting to prefer the term microculture to distinguish taste subcultures from those defined by gender, race, ethnicity, and so on (Solomon 2006).

⁶Members of this microculture never capitalize the label emo.

Mayhew (1997) modeled a consumer's likelihood of returning a product given demographic, product-specific and behavioral characteristics of consumers; and Wood (2001) provides experimental evidence that return policy leniency affects consumers' transaction dynamics in a remote ordering (i.e. internet, catalog, etc.) environment.

The remainder of the extant product returns research has focused on the supply side issues, while indirectly tapping into the motivational aspects of consumers' thought processes. Hess, Chu and Gerstner (1996) provide theoretical evidence of the efficacy of non-refundable charges in discouraging "inappropriate" (i.e. opportunistic) returns. Davis, Hagerty and Gerstner (1998) document the popular managerial mindset that ease of completing returns (i.e. cost to consumer) correlates highly with the likelihood of making returns.

The purpose of this study is to examine consumer motivations for returning products. Although previous research has tangentially concerned itself with consumer motivations in a returns decision context, no study has comprehensively examined an exhaustive set of reasons why consumers could return products and the effects of those reasons on key behavioral variables of interest.

The major hypothesis of this paper is that return motivations affect consumers' likelihood of returning products, the level of costs consumers will incur to return products, and the amount of guilt consumers experience in returning products. In short, this paper hypothesizes that not all returns are created equal from a motivational perspective.

The managerial implications of this study are potentially far-reaching. Retailers and distributors are constantly striving to minimize or altogether eliminate product returns, despite their adoption of liberal return policies which serve to maximize sales through low-risk trial. Knowing consumers' principal motivations for returns would allow distributors to address these issues in their marketing and merchandising plans. This holds true especially in a world of increasingly pervasive internet and catalog (i.e. remote) sales where experiential product trials are diminished for consumers.

Methodology

Subjects are presented with thirteen different reason-for-return (i.e. motivational) scenarios each about a paragraph in length. They include: (1) Being Overcharged, (2) Functional Failure, (3) Aesthetic Failure, (4) Mistaken Needs Assessment, (5) Better Competitor Functionality, (6) Money Generation, (7) Simultaneous Comparison, (8) Sense of Accomplishment, (9) Extracted Use, (10) Cheaper Competitor Product, (11) Combating Feelings of Inadequacy (Failure Salience), (12) Counteracting Impulsive Tendencies and (13) Undue Pressure from Seller.

For each scenario, subjects are told to assume that the price paid for the product being returned is either \$10, \$100, or \$1,000, representing small, moderate and large purchase amounts respectively. Subjects are then asked to report, using a nine-point scale: (1) the maximum amount of cost they would incur to make the return (MaxCost), (2) their likelihood of making the return (RL), and how guilty they would feel about making the return (Guilt). Subjects are subsequently asked to report how responsible they believe both they and the seller are for causing the return, given the particular scenario described.

All scenarios were presented using a within-subject design so as to make the manipulation conditions more salient and evoke relative ratings on the dependent variables.

Results and Major Findings

51 respondents completed the surveys. The major hypothesis of the paper is confirmed: The motivation employed in making a return affects (1) the amount of cost consumers will incur to make the return, (2) how likely consumers are to make the return, and (3) the guilt experienced while contemplating making the return.

Correlational Findings

Purchase Price correlates very strongly with the Maximum Cost (Max Cost) subjects are willing to incur to return product ($r=.57$, $p<.001$), and less strongly, but still significantly, with Return Likelihood ($r=.29$, $p<.001$). Purchase Price does not correlate with Maximum Cost as a % of Amount Spent (MaxCost/Amt). The Maximum Cost (Max Cost) subjects are willing to incur correlates moderately well with Likelihood of Return ($r=.21$, $p<.001$). Lastly, Return Likelihood correlates negatively with Guilt ($r=-.28$, $p<.001$).

ANOVA Results

For the Maximum Cost respondents are willing to incur dependent variable (MaxCost), only Purchase Price (Amount) is significant. For the Maximum Cost as a Percentage of Purchase Price dependent variable (MaxCost/Amt), only Scenario is significant ($p=.014$). For the Return Likelihood dependent variable, Scenario is significant ($p<.001$), Purchase Price (Amount) is significant ($p<.001$) and the Scenario*Purchase Price interaction is significant at about the 10% level.

For the guilt experienced while contemplating the return dependent variable (Guilt), only Scenario is significant ($p<.001$). For both the Perception of Seller Responsibility for causing the return and Perception of Buyer Responsibility for causing the return, Scenario was significant ($p<.001$ for both) while Purchase Price was not.

Specific Results Discussion

Maximum cost consumers were willing to incur as a percentage of price (MaxCost/Amt) was highest for Money Generation and Functional Failure and lowest for Being Overcharged and Cheaper Competitor Product. Return Likelihood was highest for Being Overcharged, Functional Failure, Cheaper Competitor Product and Undue Pressure from Seller and lowest for Sense of Accomplishment and Extracted Use. Guilt was highest for Extracted Use, Sense of Accomplishment and Simultaneous Comparison, and lowest for Better Competitor Functionality, Cheaper Competitor Product and Undue Pressure from Seller.

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A Designer is Only as Good as a Star Who Wears Her Clothes: Examining the Roles of Opinion Leaders using the Persuasion Knowledge Model

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Extended Abstract

A basic assumption in diffusion theory is that some individuals, referred to as opinion leaders, are influential in persuading others to adopt products within a given social structure. They directly affect the diffusion of innovation by being the early adopters and spurring new product interest as well as trial. The diffusion of information pertaining to the innovation and its influence depends on the opinion leadership. Many attempts have been made to identify the characteristics of opinion leaders, and the findings have typically shown that opinion leaders are individuals who are knowledgeable about various topics and whose advice is taken seriously by others. They also tend to be very socially active and highly interconnected within the community (Darley and Johnson, 1993). Moreover, effective opinion leaders tend to be slightly higher than the people they influence in terms of status and educational attainment, but not so high as to be in a different social class (Rogers, 1995). This way, the leaders are still a part of their audience's reference group. And as opinion leaders these individuals are looked upon by the follower-group to make their assessments about the worth of the innovations.

The theoretical contribution of this research arises in the form of empirical evidence that the Persuasion Knowledge Model (PKM) (Friestad and Wright 1994) can explain some of the anomalies in the Diffusion of Innovations (DoI) model. We suggest that the perception of the opinion leaders, as endorsers or adopters, is the key variable in determining how much influence the opinion leaders would ultimately have upon the follower class.

Fashion is an area where interpersonal communications has been found to be highly important in the diffusion of information. Additionally, the frequent introduction of new clothing styles each season makes the fashion market a desirable study for diffusion research focusing upon innovativeness (Baumgarten, 1975). Thus, we focused on fashion as the domain of the first study.

According to Rogers (1995,) an innovation is any idea, practice or object perceived as new. Fashion is characterized by constant innovations, whether real or perceived that often include small changes from the previous season or year. Because fashions are constantly changing, but the fashion changes are not extreme innovations, they can be classified as dynamically continuous innovations (Rogers, 1995). Understanding the diffusion process for fashion therefore is crucial to marketers in the industry since fashion is so dynamic in nature.

Fashion opinion leaders represent a significant target market with high sales potential for the fashion marketer and furthermore, beyond their individual purchase capacity, they represent important change agents in disseminating fashion information to others during the fashion season (Summers, 1970). The goal of the marketer in reaching these opinion leaders is to stimulate positive word of mouth communication via them to the masses. In other words, the communication message should be tailored so that it's communicable in interpersonal channels, and can therefore lead to the diffusion of the particular fashion (Summers, 1970).

Opinion leaders are crucial for the social legitimation of new innovations and fashion ideas (Rogers, 1995). If a new look is adopted by fashion opinion leaders, then it has an increased chance of becoming a fashion adopted by the rest of the population, and the teen market is no exception. Opinion leadership is defined as "the degree to which an individual is able to influence other individual's attitudes or overt behavior informally in a desired way with relative frequency" (Rogers, 1995). If designers can determine who these opinion leaders are, and target them effectively, then the introduction of a particular fashion has a much higher probability of becoming adopted.

It is often difficult to determine who the opinion leaders are for a particular segment, and even more difficult to figure out how to target them effectively. However, for the fashion industry, and specifically the teenage market, we propose that celebrities may serve as opinion leaders, in that that through their interpersonal communication about the latest fashions are facilitated.

To gain more insight into our proposed phenomenon of celebrities as fashion opinion leaders for this segment, we conducted 3 focus groups (8 subjects each) and 6 in-depth interviews with 4 females and 2 males who lived in the New York City area. We found overwhelming support for our notion that teenagers view celebrities as fashion opinion leaders. Specifically, there was a lot of interest in celebrity singers, who were considered to be 'cool, stylish and real,' and limited interest in younger celebrities. Additionally, depending on the style, (i.e. funky vs. classy) different types of celebrities (i.e. singers vs. actresses) were preferred.

One of the more interesting findings that our research yielded was that teens seemed to discriminate between celebrities wearing a particular style in a commercial or some other paid form of advertisement and celebrities wearing a particular style on an award show or pictured casually in a magazine, the latter of which they felt displayed a more real and legitimate image. Apparently, credibility was a big issue for the teens and they felt that being paid to wear something was not reflective of personal tastes or likes by the celebrities and therefore would not be influential in getting them to adopt a new fashion.

Our findings are also in tune with robust findings of persuasion knowledge model that suggests that consumers who perceive the persuasive attempts of marketers react in a way to neutralize such attempts (Friestad and Wright 1994). In this research also we show that consumers do perceive the celebrity endorsements in the commercials as persuasive attempts by marketers and thus, try to undermine them by actively rejecting the claim that such an endorser indeed uses or likes the endorsed product (fashion).