Predicting Contest Proneness and Participation

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Due to increased price discounting and store brand competition in the grocery market there is resurgent interest in understanding consumers’ propensity to engage in non-price sales promotions. This study identifies the impact of consumers’ economic, hedonic and search cost motives on proneness to contest-sweepstake participation and subsequently examines whether proneness is a predictor of promotion choice. The results from a survey of 500 consumers finds that proneness is largely related to hedonic motives and that proneness is a statistically significant predictor of preference for choosing a sweepstake promotion over that of a price discount.

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**Introduction**

Fast Moving Consumer Goods manufacturers face a continuing battle for supermarket shelf space driven by the penetration of store brands and increased manufacturer brand price discounting. The result is a resurgent interest in understanding consumers’ propensity to engage in non-price promotions (Kalra and Shi 2009). This study firstly identifies the impact of consumers’ economic, hedonic and search costs motives on proneness to contest-sweepstake participation. Secondly, it examines the relationship between proneness and prior contest-sweepstake participation. Thirdly it examines, though use of a promotion choice game, the relationship between contest-sweepstake proneness and preference for choosing a chance-based promotion over the reward of a certain price discount.

**Conceptual Development**

Research suggests that promotion proneness is often context-specific, that consumers derive economic and hedonic benefits from participation and that some consumers are more prone to non-price-based promotions than others (Lichtenstein, Netemeyer and Burton 1990; Ailawadi, Neslin and Gedenk 2001; Garretson and Burton 2003; Sudbury and Simcock, 2008).

Promotion proneness research has examined differences between the motivations for engaging in different forms of sales promotion and has demonstrated that consumers are prone to using them for both economic and hedonic reasons (Chandon et al. 2000; Schindler, 1989) and have been associated with differences in the psychographic profiles of shoppers and their proneness to sales promotion (Ailawadi et al. 2001; Bucklin and Lattin, 1991). It is expected that hedonic motivations are strongly associated with participation in contest-sweepstake related promotions. 

Sensitivity to economic benefits, the costs of searching for goods on promotion and the willingness to trade off product quality have been shown to affect price-based promotion proneness (Blattberg, Busing, Peacock and Sen, 1978; Martinez and Montaner, 2006). There is less evidence however to understand economic and search cost factors and their association with non-price promotions. It is expected that these motivations are less likely to be associated with contest-sweepstake proneness and participation.

**Methods and Measures**

The data were obtained using computer aided telephone interviewing (CATI). The sampling frame was a major Australian metropolitan city. The final sample consisted of 500 primary household grocery buying adults aged between 18 and 75 years.

Psychographic measures for this study were based on Ailawadi et al. (2001) and Martinez and Montaner (2006). The scale for contest-sweepstake proneness was based on Lichtenstein et al (1995). A modified gambling enjoyment scale was based on the work of McDaniel (2002). All items were measured on 7 point Likert-type scales. Measures for prior promotion participation were developed specifically for the study. Propensity to participate in contest-sweepstakes was measured by summing responses to a repeated measures brand promotion choice game whereby participants were ask to choose between varying levels of a price discount or participation in a game-of-chance with a potential monetary reward.

**Results**

Convergent and discriminant validity was examined through confirmatory factor analysis and found to be appropriate. Reliability analysis through examination of Cronbach’s alpha found all scales to be acceptable and sufficiently robust.

Multivariate regression was employed to analyse the relationship between variables associated with hedonic, economic, and search cost motives and contest-sweepstakes proneness. Overall the model explained 35% of contest-sweepstake proneness ($F_{17,28}$, $p<.001$).
There was no association between proneness and search cost factors of brand loyalty, shopping planning, shopping time pressure and household storage space. For economic motives proneness was negatively associated with quality consciousness ($R^2 = .08, p<.05$) but positively associated with financial constraints ($R^2 = .26, p<.001$). Much of the explanation of proneness is derived from hedonic motives including gambling enjoyment ($R^2 = .22, p<.001$), mavenism ($R^2 = .13, p<.01$), shopping enjoyment ($R^2 = .11 p<.01$), innovativeness ($R^2 = .10, p<.05$), and impulsiveness ($R^2 = .09$). No association was found for variety seeking.

Further regression, controlling for age, income, and gender was undertaken to assess the relationship between contest-sweepstake proneness and prior participation in such promotions ($R^2 = .38, p<.001$, $[R^2, .15, F, 22.78]$). Similar analysis was undertaken (in a constrained promotion choice situation) to assess the relationship between proneness and the propensity to choose a game of chance promotion over a certain price discount ($R^2 = .20, p<.001$, $[R^2, .04, F, 5.48]$). A final bivariate regression examined the relationship between past behaviour and current propensity to choose a game of chance over a certain price discount ($R^2 = .13, p<.05$, $[R^2, .02, F, 8.04]$).

Conclusions
This research supports calls by Prendergast et al. (2008) and others for increased investigation into non-price sales promotion and the psychology behind consumer engagement with such promotions. Results indicate contest-sweepstake prone consumers enjoy gambling and having the chance to win, crave the approval of others regarding their purchase decisions and have mavenistic tendencies. Contest-sweepstake prone consumers also enjoy shopping and may be quite impulsive when faced with in-store contest and sweepstake activity. They also have financial constraints that may promote participation in games. The research raises questions as to the relationship between proneness and participation in such promotions with a weak explanation found for the relationship between proneness and non-price promotion choice in the promotion game. Questions also exist about the causal nature of the relationship between prior participation and future participation. Managerially, manufacturers who facilitate and encourage consumers’ engagement through ease of participation, attractive prizing, and a small win, may find some reprieve from a discount mentality, add interest to a category and improve brand associations with consumers.

References

How Do Postconsumers Navigate the Multiple Orders of Contemporary Consumer Society? Emotion and Reason in Young Consumers’ Narratives of Consumerism
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Extended Abstract
In this paper, we study the ways in which young Finnish consumers negotiate and construct local meanings of consumer culture in forming their identities as consumers. Drawing from the literature on postmodern consumer culture (Firat and Venkatesh, 1995, Firat and Dholakia, 2006, Firat, 2001) and cultural models of consumption (Holt and Thompson, 2004, Quinn and Holland, 1995 [1987], Thompson and Arsel, 2004), we explore the ways in which the contemporary consumer, the “postconsumer” (Firat, 2001, Firat and Dholakia, 2006), navigates the different and sometimes conflicting social orders that contemporary consumer culture entails. The aim is to contribute to the literature on postmodern consumer culture by empirically elaborating on the concept of postconsumer, who seeks...