# Asia-Pacific Advances in Consumer Research

## Volume 10

**Editors**

Ekant Veer

Paul W. Ballantine

Lucie K. Ozanne

ASSOCIATION FOR CONSUMER RESEARCH

Ekant Veer, Paul W. Ballantine, Lucie K. Ozanne, Editors

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# Exploring Dimensions of Brand Authenticity

*Jasmina Ilicic, Macquarie University, Australia*
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## ABSTRACT

This research adapts the Authenticity Inventory from the psychology literature to develop a framework to measure brand authenticity. The results show brand authenticity as consisting of four distinct dimensions: Relationships (interactions with consumers), Negativity (acknowledging negative brand aspects), Accomplishment (achievement of goals) and Identity (understanding core brand characteristics).

## EXTENDED ABSTRACT

Brand authenticity raises modest discussion in the marketing literature, despite being coined one of the cornerstones of contemporary marketing (Holt 1997; Belk and Costa 1998; Kozinets 2001). Although consumer researchers frequently use the term, only few define it and no generally acceptable definition is available. This lack of definition allows for the term *authenticity* to be used in different ways and with varying meanings (Grayson and Martinec 2004).

Within the marketing literature, Grayson and Martinec (2004) categorise authenticity as indexical or iconic authenticity. A brand has indexical authenticity if it is thought to be original, not a copy or an imitation (Bruner 1994, 400; Huntington 1988, 157). Alternatively, iconic authenticity refers to an object that is an "authentic reproduction" or an "authentic recreation" of the original (Bruner 1994, 399; Peterson 1997, 208). Authenticity research to date focuses on the indexical authenticity approach which emphasises a production perspective, assessing whether or not a product or brand's origins are authentic and whether their origins are rooted in tradition and heritage (Beverland 2005; Beverland, Lindgreen, and Vink 2008). Alternatively, Brown, Kozinets and Sherry (2003, 21) argue that authenticity is "composed of the brand elements that consumers perceive as unique". In other words, authenticity is the brand's essence, which is the core or the heart of the brand's identity (Aaker 1996; Beverland 2005; Kapferer 2001; Keller 1998).

Authenticity is argued to be an element of a brand's identity or DNA. Authenticity comprises the unique characteristics of a brand's values, people, product, services, and place that are shown through an organisation's vision and actions (Morin 2010).

Furthermore, Gilmore and Pine (2007) suggest authenticity communicates what a brand stands for through conveying its core value and tradition. This identity that is created and conveyed by brands is assessed by consumers who either validate or reject the communicated brand promises (Molleda 2009). In other words, brand authenticity is an assessment of a brand made by consumers based on their perceptions.

There is general agreement that authenticity is not an attribute inherent in an object. Rather authenticity is a socially constructed interpretation or an assessment made by an evaluator of the essence of what is observed (Beverland 2006; Beverland et al. 2008; Grayson and Martinec 2004; Peterson 2005; Rose and Wood 2005; Thompson, Rindfleisch, and Arsel 2006). Beverland et al. (2008) suggest that understanding authenticity from a strategic communication approach requires an assessment of the organisational crafting of authenticity claims and the consumers' or publics' perceptions of these claims. This perspective is closely tied to Gilmore and Pine's (2007) conceptualisation of authenticity which is based on two principles: 1) Being true to your own self and 2) Being who you say you are to others. In other words, being authentic and conveying your authenticity comes about through marketing communications and interactions with the public. Research on celebrity authenticity also follows a similar perspective. Tolson (2001) attributes celebrity authenticity to "being yourself" in terms of creating an image of individuality uniqueness and differentiation. Fairchild (2004) argues that the creation of a persona and the consistency of this persona are what make a celebrity authentic. Although much of the research on brand authenticity focuses on the crafting of authenticity and understanding the attributes that make a brand authentic (Beverland 2005), our interest here is in examining whether or not consumers perceive a brand to be authentic, whether consumers perceive a brand to be true to itself.

It is in the philosophy and psychology literatures that discussions of authenticity are most extensive and where most perspectives on authenticity highlight the extent to which an individual's thoughts, feelings, and behaviours reflect their true self. The philosophical interpretation argues that authenticity

is being true to the essence of the self (Van Leeuwen 2001). Remaining true to the presentation of self one claims (Goffman 1959) signifies being genuine, original, having a unique and distinctive style, and not being an imitation or copy (Van Leeuwen 2001). This conceptualisation is analogous with Grayson and Martinec's (2004) indexical authenticity. Authenticity has been defined in the psychology literature as "the unobstructed operation of one's true - or core-self in one's daily enterprise" (Goldman and Kernis 2002; Kernis 2003; Kernis and Goldman 2004; Kernis and Goldman 2005, Kernis and Goldman 2006). According to Kernis and Goldman (2006), authenticity contains four separate, yet interrelated, components: awareness, unbiased processing, behaviour and relational orientation. Awareness refers to having knowledge of your motives, feelings and desires. This component of authenticity involves being motivated to learn about your strengths, weaknesses, goals and aspirations. Unbiased processing refers to objectively discerning both positive and negative self-aspects. This component involves not denying, distorting, or exaggerating self-relevant information. The behavioural component of authenticity entails behaving in accordance with one's values, preferences, and needs and not acting in a false way to obtain rewards or evade punishment. Finally, relational orientation involves valuing and striving for openness, sincerity, and truthfulness in close relationships with others.

Despite growing interest on brand authenticity in marketing, no research to date has been conducted to develop a reliable and valid scale to measure brand authenticity. In fact, no general quantitative measure of brand authenticity has been developed, with research in the area mostly exploratory in its approach, focusing on what makes a specific brand or experience authentic to consumers (e.g. Beverland 2005; Chronis and Hampton 2008). The purpose of this research is to address the limitations within the current research on authenticity by drawing on and adapting Kernis and Goldman's Authenticity Inventory (2004) from the psychology literature to determine whether its four dimensions can be used as a framework for brand authenticity.

A research company recruited respondents from regional areas within Australia to evaluate the authenticity of a corporate financial brand, the Greater Building Society. In total 343 respondents were approached and 147 provided complete and valid responses. From Goldman and Kernis' (2004) 45

item Authenticity Inventory, 41 items were adapted to the brand context. Awareness consisted of 11 items, unbiased processing 9 items, behaviour 10 items and relational orientation had 11 items. Respondents were provided with statements about the brand (e.g. the Greater Building Society places a good deal of importance on customers understanding who they truly are) and asked to indicate the extent to which they agree or disagree on a 5 point likert scale.

Initial Cronbach α reliability analyses show unacceptable results for three of the four authenticity dimensions: awareness α= .514, unbiased processing α= .302, behaviour α= .530. Cronbach α reliability for relational orientation shows acceptable results (α= .853). Once items are eliminated, internal consistency becomes acceptable (Nunnally 1978). Awareness consists of 9 items (α= .789), unbiased processing with 7 items (α= .735) and behavioral with 5 items (α= .725). Next, an exploratory factor analysis using principal components with varimax rotation reveals four factors with eigenvalues greater than 1 accounting for 60.58 percent of the variance explained. Factor 1 explaining 37.5% of the variance consists of mainly five of the items that measure relational orientation, two behavioural items and one each of awareness and unbiased processing. This clearly is a relationship factor that identifies the interactions the brand has with its customers, its behaviour towards its customers and customers' perceptions of them. Although three of the unbiased processing items load highly on Factor 2, all items on this factor relate to negative aspects of the brand such as their ability to "pretend" to be something they are not and ignore issues rather than work them out. This factor with 11.9% of the explained variance apparently is detecting negative brand aspects. Factors 3 and 4 explain much less adding 6% and 5% respectively and are less distinct. Factor 3 perhaps concerns the vision or goals the brand would like to achieve. Factor 4 seems to be an identity dimension relating to the brand understanding and prioritising its core identity features and customers' ability to identify those features.

Although inconsistencies are found, adapting the Kernis and Goldman's (2004) Authenticity Inventory from psychology to the marketing context does have potential. Results within the current study indicate that authenticity may have four dimensions. Key factors in consumer perceptions of brand authenticity include: 1) consumer-brand relationships, 2) negative brand aspects, 3) brand goal achievement

and 4) understanding brand identity. The significance of consumer-brand relationships is highly relevant given its recent interest in the marketing literature (Fournier 1998; Thomson, MacInnis, and Park 2005). As this study is the first to examine the dimensionality of authenticity within a branding context, further research is needed to investigate the importance of each of the components in predicting consumer behaviour. Future research should explore the effect that perceptions of authenticity have on consumer attitudes and purchase intentions. Additional research also should be conducted using a number of different brands.

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# The Maven; Nevermore

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## ABSTRACT

Maven consumers are widely recognized in both academic and industry circles as critical in driving both brand and product success (Chelminski and Coulter 2007; Stockburger-Sauer and Hoyer 2009; Walsh, Gwinner and Swanson 2004). This is none moreso than for new or modified products just as they are entering the market. This importance has led to an intense research focus regarding the individual behavior and motivations of mavens to behave as social leaders, and to be adherents to particular products or brands (Brancaleone and Gountas 2006; Feick and Price 1987; Hazelwood, Lawson and Aitken 2009). What is troubling about this research is that it has not readily addressed the effect of time on the behavior of mavens. The use of mavens within an integrated marketing plan must be sustainable for any long-term benefits to be realized. Any relationships formed with mavens by a marketing practitioner must be able to be continued, but how the behavior of maven's changes through time is not clearly understood. In particular, it is not well understood how consumers become and cease to be maven's.

This paper addresses this gap in the literature by examining the life cycle of maven consumers. We conceptualize a maven as being a person with special knowledge or experience; an expert in a specific field rather than a general "market maven" who knows a lot about a range of products and services (Capon 2007; Grassl and Harris 2010). We also differentiate mavens from opinion leaders, whose motivations are more social and status oriented in nature (Chelminski and Coulter 2007). Highly centralized and experienced consumers acting as mavens within the Sydney rave community are investigated. The rave community was chosen as the focus of this research because of the highly diverse membership and social structures it contains. In addition, the rave community has numerous products and brands that have been integrated into the culture of the community, with numerous cycles of introduction and decline (Day 1981; Goulding and Shankar 2004). With the presence of both a suitable social dynamic and a dynamic product environment this particular community offers the opportunity to generalize to other communities in which mavens operate.

In-depth interviews were undertaken using a co-creationist approach to knowledge creation. The co-creationist approach involved a peer interviewing technique in which junior researchers with close ties to the music community were recruited to interview rave community members (Silverman 2006). These junior researchers brought unique insights and knowledge about music communities due to their own close ties to music culture. During interviews they acted as peers with the data collected becoming a balance of the general knowledge of the junior researchers and the specific knowledge of the informants. This balance of general and specific knowledge allowed for a much greater exploration of the rave community and the experiences of the maven informants. The trust engendered by this peer as interviewer technique also ensured that informants felt comfortable detailing a full range of their experiences. This was felt particularly necessary as the rave community often uses illegal behavior to obtain venues and run parties or 'raves' (Elliott, Watson and Harries 2002). In total 12 in-depth interviews were conducted, of which two exemplary cases have been selected for analysis here. This method ensured that extensive insight was gained into the phases a maven goes through from market novice to full maven and beyond

The analysis of the data identified a number of distinct phases in the life cycle of maven consumers. The stages of the maven life cycle are: (1) initial social inclusion, where the consumer enters a brand community through relational bonds but has yet to rise to become a maven; (2) being a punter, during which the consumer gains acceptance and integrates into the community; (3) leading the social group, where the consumer starts to emerge as a maven by becoming a dominant social figure, directing and organizing people in the community; (4) leading the phenomenon, during which the maven starts to emphasize being a leader of the culture, protecting and nurturing their cultural tastes, rather than leading the specific people in the community; (5) phenomenon drift, where the maven now focuses almost exclusively on the cultural phenomenon without regard for the people in the community, exploring both directly related *and parallel* components to the culture; and (6) shifting, the eventual move of the maven to a new

community that allows them to reflect their newly evolved cultural tastes, with the maven viewing this as reaching their 'maturity'. Each of these stages allows us to understand how a maven evolves from being an ordinary consumer, to being a maven, to finally ceasing to be a maven by absconding from the original community from which they held influence.

The main motivational bases for mavens' advancement from one stage in their life cycle to the next are the needs for socialization and control. In early stages the need for socialization is most critical as it establishes the social bonds needed for group cohesion. No social structure could emerge without some cohesive element in the community. By the third stage of the life cycle however, this need for socialization starts to be moderated by the need for control. The newly emerging maven seeks control over their social environment, and thus takes a leadership role within the community. In the fourth phase the need for socialization begins to decline as it is further dominated by the need for control. In this stage, this need for control is now extended to include not just control over the social aspects of the community but to controlling the cultural aspects of the phenomenon binding the community together, in this case the rave culture. This new type of control sees the maven examining what 'rave' culture is and what it is not, not just organizing the people within the rave community. As the need for socialization continues to decrease and the need of control continues to increase, the social bonds with the original community begin to break down. The now former maven starts to investigate parallel communities that allow them to better understand and explore their cultural tastes, giving them maximum control of their now personal experiences of the phenomenon.

This competing role of socialization and control in the maven life cycle offers a considerable departure from the literatures that examine social and control processes. Previous literature has largely only examined how social groups exert control over individuals. That literature often focuses on how social groups correct the dysfunctional, and sometimes criminal, behavior of the individual through socially mandated acts of control or restriction (Warner, Beck and Ohmer 2010). Our research finds that the reverse process is also relevant. Individuals can seek control over their social group, particularly when they have status, as a maven does. Ironically, our findings also suggest that such exertions of control can lead the maven to eventually become disconnected from the community, removing an important element of the social structure, and perhaps undermining community functioning.

The implication of this evolutionary process for new products and brands just entering the market is explored. For a manager wishing to build and maintain a relationship with mavens within their target market there must be planning in place for the eventual 'shifting' of the maven. The manager must be prepared to either shift with the maven to new communities or seek new mavens to maintain their contract with the target community. Shifting behavior can present a considerable opportunity for managers hoping to expand into new markets. Managers can leverage the relationships they have with existing mavens, and use their shifting behavior to reach into new markets that the mavens shift to. This can complement market expansion plans and offer a gateway into new consumer communities that are still relevant to the cultural values that the manager is seeking to associate the product or brand with.

In contrast to shifting with the maven the manager may wish to simply maintain contact with mavens relevant to their single target community. This research highlights that managers need processes in place to identify new mavens, as present mavens are likely to evolve out of their dominant social role in the present community. By understanding the stages in the maven life cycle, and the role that the need for socialization and control has in driving a maven's progression through that life cycle, the next generation of mavens can be identified so that long-term access to the target community can be maintained.

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# When Magazine Editorial and Advertising are in Conflict: Depictions of Christmas in Women's Magazines

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## ABSRACT

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 (Otnes and Scott 1998 Hummon 1988; McCracken 1990; Sherry 1987). Such rituals may be viewed as transmitters of cultural values, providing the tools and techniques for social behavior (McCracken 1990). In this paper we report the findings of a longitudinal social semiotic and allegorical analysis of food features and advertisements in women's magazines in both Australia and the United Kingdom.

We draw upon social semiotics for our analysis because it foregrounds how multimodal texts such as magazines can be the site of conflicting social discourses (Kress 2009). A fundamental premise of this approach is that 'meaning arises in social environments and social interactions' (Kress 2009 p54). Our focus on the Christmas editions leads us to consider the role of editorial content in shaping consumer perceptions of the Christmas rituals and to identify some potential conflicts of interest between the advertisers and the feature writers.

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 Women'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, 491) talks of women's magazines as being " socialization agents that construct normative family relationships". In contrast to similar magazines that supply recipes for Christmas food, these two magazines specifically address the reader and provide editorial guidance on how to complete all the tasks. 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. Many of the editorial features and the advertisements promote a nostalgic view of the festivities with images of an extended family around a heavily laden Christmas table being projected as 'the heart of the domestic ritual' (Di Leonardo 1987). 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 to how to behave at Christmas, our research suggests that there is some discontinuity. The editorial subtext 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 the consumer.

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 2011. 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. Following Arnould and Thompson (2005), we are not suggesting that readers blindly do what magazines tell them. We are in fact suggesting that the magazine as a whole engages its readers in at least two conflicting discourses. How each reader resolves the inherent tension between these discourses comes about partly because of the resources used by the magazine to represent these discourses, and partly through the cultural competence of the reader. (Kress, 2009)

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. There is richness in the colors and textures of the images accompanying the text, a visual rhetoric, which takes the reader beyond the presentation of food to the delivery of Christmas itself (Scott 1994). The text describes the role of a largely invisible cook in mythical 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.

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, 71). 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). 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 1988).

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

What is the reader to do? Should she engage in the ritual promoted by the editorial or try the easier version? Or should she buy the advertised products? Or some kind of mixture of both – perhaps making the special Christmas dessert, but serving a bought, ready-cooked turkey. How does she deal with the emotional conflict between engagement with the magazine, her own ideas about what Christmas should be, and her role as maintainer of tradition and family values, and family budget?

It is this apparent conflict that provides the focus of the paper.

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# Acculturation Within Small Immigrant Ethnic Minority Communities – a Small Business Opportunity Context

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This paper considers how the consumption of small business opportunities can aid the acculturation process of individuals from small immigrant ethnic minority communities. To this end an acculturation model is proposed that links the consumption of the business start-up to social inclusion within the dominant host society.

## INTRODUCTION

Throughout the world there are immigrant ethnic minority communities with small critical mass, such as the Armenian community in Greece (Piperopoulos, 2010), Bangladesh community in Glasgow, Scotland (Ishaq, Hussain and Whittam, 2010) or the Pacific Peoples in Christchurch, New Zealand (Statistics New Zealand, 2006). They have not established large community enclaves or ethno-burbs such as are common with larger ethnic immigrant populations; as in the Chinatowns of San Francisco and Vancouver (Li, 1993), or the Surinamese of the Netherlands (Rusinovic, 2008). They do not have a significant population base in their adopted country such as the 1.4 million strong Indian community of the UK do (Dhaliwal and Kangis, 2006). Yet they have communality with all ethnic minority communities in that they seek means by which to interact and gain acceptance with the host societies (Zhou, 2003, Ram, 1997). This process is referred to as the acculturation phenomenon: the immigrant's adoption of the dominant society's attitudes, values and behaviours (O'Gunn, Lee and Faber, 1985; p579), at a group or individual level (Berry, Kim, Minde and Mok, 1987), and any subsequent changes in the original culture patterns of both groups (Chapman and Jamal, 1997).

This paper considers how the consumption of small business opportunities aids the acculturation process of small ethnic minority communities within a dominant society of a migrant receiving country. We propose an acculturation model that suggests the perceived exclusion felt by individuals from small immigrant ethnic minorities may be mitigated by engaging in a business start-up as a means of generating a desired lifestyle and a perceived social inclusion in their adopted country. The object of this model is to better understand small ethnic minority community behavioural patterns in terms of their perceptions of inclusion within the small business/ acculturation nexus, which can inform policy makers dealing with 'how best to integrate small minority communities into a host-country's economic and social infrastructure.'

## LITERATURE

Ethnic minorities within a dominant host society are often cast into a variety of different roles in the course of their daily lives. Each role may bring into play a different level of acculturation or ethnicity (O'Gunn and Faber, 1985). The acculturation phenomenon considers how groups of individuals having different cultures (the ethnic minorities) come into continuous first hand contact with the dominant host society, with subsequent changes in the original culture patterns of either or both groups. (Chapman and Jamal, 1997). However, the major consideration in acculturation research is how immigrants adopt the dominant society's attitudes, values and behaviours (Ozcaglar-Toulouse and Ustuner, 2009).

Acculturation can be defined as a learning process whereby at least some of the cultural patterns of the host country are adopted (Khairullah and Khairullah, 1999). This can be a different levels as individuals might choose to be more "ethnic" or more host cultural as the situation may warrant (Berry et al., 1987). Hence, such a definition does not assume a loss of the original cultural values and norms by one group in the process of learning new ones. The acquisition of a new set of norms and values, however, is expected to bring about some modifications in the attitudinal and behavioural patterns of the individual (Laroche, Kim, Hui and Joy, 1993). A popular theoretical model introduced in 1997 by Berry (Oerlemans and Peeters, 2010) considers two dimensions: culture adaptation, which is the degree to which immigrants are willing to adapt to the dominant culture of the "new" society; and culture maintenance, which is the degree to which immigrants want to maintain their own ethnic culture in the new society (Oerlemans and Peeters, 2010, p461). This model proposes that there are four possible acculturation orientations: integration - which is defined by a positive orientation towards culture adaptation and culture maintenance; marginalization - which is defined by negative orientation towards the

two domains; whereas a positive orientation towards culture adaptation and a negative orientation towards culture maintenance is referred to as assimilation and the reverse is defined as separation (Berry et al., 1987).

Ruvio, Gianfranco, and Sigal (2009) suggest that individual and environmental factors affect immigrants' chosen acculturation strategy. To better understand business start-up influence, the ethnic literature offers some insights. The current ethnic business literature focuses on minority groups with large critical mass in high density population cities, such as Amsterdam, London, and Paris (e.g. Guerassimoff, 2003; Kloosterman, Van der Leun and Rath, 1999; Levent, Masurel and Nijkamp, 2003; Smallbone, Bertotti and Ekanem, 2005) and/ or countries in Europe and North America with large populations (e.g. Aldrich, Jones and McEvoy, 1984; Baldock and Smallbone, 2003; Clark and Drinkwater, 2010; Kontos, 2003; Li, 1993; Ram and Smallbone, 2003; Waldinger, Aldrich, Ward and associates, 1990). These studies identify high levels of ethnic social capital, with strong ethnic networks and self-sufficiency within their own communities (Ram, 1997, Zhou, 2004).

Theories that attempt to explain the behavioural patterns of ethnic minority entrepreneurship have developed such as ethnic embeddedness (Barrett, Jones, McEvoy and McGoldrick, 2002, Jack and Anderson, 2002; Kontos, 2003, Razin, 2002), including Kloostereman's mixed embeddedness (1999, 2003, 2010) and local embeddedness (Kalantaridis and Bika, 2006). Masurel, Nijkamp and Vindigni (2004) alluded to a combination of culturalist and structuralist approaches playing a decisive role in entrepreneurial activity. They drew attention to the importance of both host country and ethnic minorities' cultural predisposition. Waldinger, Aldrich, Ward and associates (1990) had previously argued the importance of migration history through a unique mix of pre-migration, migration, and post migration characteristics, setting the parameters of their economic participation. de Vries (2008) attempted to encapsulate the concepts of embeddedness and mix through a set of parameters in a model of ethnic minority entrepreneurship. His study identified four constructs responding to migrant, settlement, cultural and business phases of acculturation, which encapsulate the entrepreneurial behavioural patterns. Researchers have also considered the importance of immigrant's perceptions (Tang and Rothenberg, 2009)

which are most prominent within the settlement phase (de Vries, 2011), cultural composition (Pio, 2007), and environment (Gaddefors, 2007). In practice the application of these theories points to major variables influencing the business start-up propensity; such as limited employment opportunities and blocked mobility, high rates of unemployment, marriage, family, gender, enclaving, migration timeframes, and higher education, as influencing the decision to undertake self-employment (Basu, 2004:Clark and Drinkwater, 2010; Collins, 2003; Hammarstedt, 2004; Hiebert, 2002; Ram 1997; Smallbone, Peters, 2002; Ram, Deakins, and Baldcock; 2003; Zhou, 2004). However, as previously stated, these accretions have generally been established within this context of large ethic populations and by implication small ethnic minority groups have been assumed to behave in similar ways with regard to their business behaviours and subsequentially ascribed to similar acculturation behaviours – but is this necessarily so?

## THEORETICAL MODEL DEVELOPMENT

This paper takes the perspective of societal inclusion as a position outcome of immigrant acculturation. Inclusion compasses the value of creating and maintaining relationships within the host country , whilst maintaining cultural identity, as in Berry et al's (1987) *integration*; or assuming the host characteristics, as in Berry et al's (1987) *assimilation*. We argue that inclusion has positive economic and social benefits for the host country and ethnic minority communities. (Chapple, Gorbey and Yeabsley, 1994; Daniels, Radebaugh and Sullivan, 2002; Kloosterman, Van de Leun and Rath, 1999; Masurel et al., 2004; Yeabsley, 1997). However, small ethnic minority communities do not have available to them large ethnic networks or enclaves in which to assess social capital or ethnic economic benefits as prescribed in such theories as embeddedness or cultural composition. Therefore an undesirable outcome of exclusion can occur where there is a lack of connection to other groups and specifically the dominant host community; which Berry et al's. (1987) model refers to as *separation* (when they maintain cultural identity and character) or *marginalisation* (when they lose cultural identity and character).

Based on this premise a theoretical model was devised (figure 1). Both perceived exclusion and inclusion are influenced by the host society predisposition and the ethnic minority predisposition. These predispositions encapsulate migration,

settlement, and cultural factors (de Vries, 2008) and can lead to separation or marginalisation and the perception of exclusion as a negative outcome. Alternatively they can lead to integration or assimilation and the perception of inclusion as a positive outcome. The model then infers that when the predispositions lead to perceived exclusion the consumption of a business start-up – either creation or acquisition of a small business - will lead to perceived greater inclusion as individuals to the stronger integration or assimilation acculturations characteristics.

This paper therefore contends that the ethnic literature draws strong conclusions on the conditions in which business creation or acquisition occur within large ethnic minority communities (Ram, 1997; Zhou, 2004). It further contends that acculturation literature considers the demographic characteristics which lead to greater acculturation (e.g. Khairalluh and Kairullah, 1999) and the intergroup factors (e.g. Oerlamnas and Peeters, 2010), but the influence of business start-up consumption on the acculturation which supports inclusion is not fully considered. This model attempts to conceptualise this relationship.

*Figure 1. Acculturation/business start-up theoretical construct*
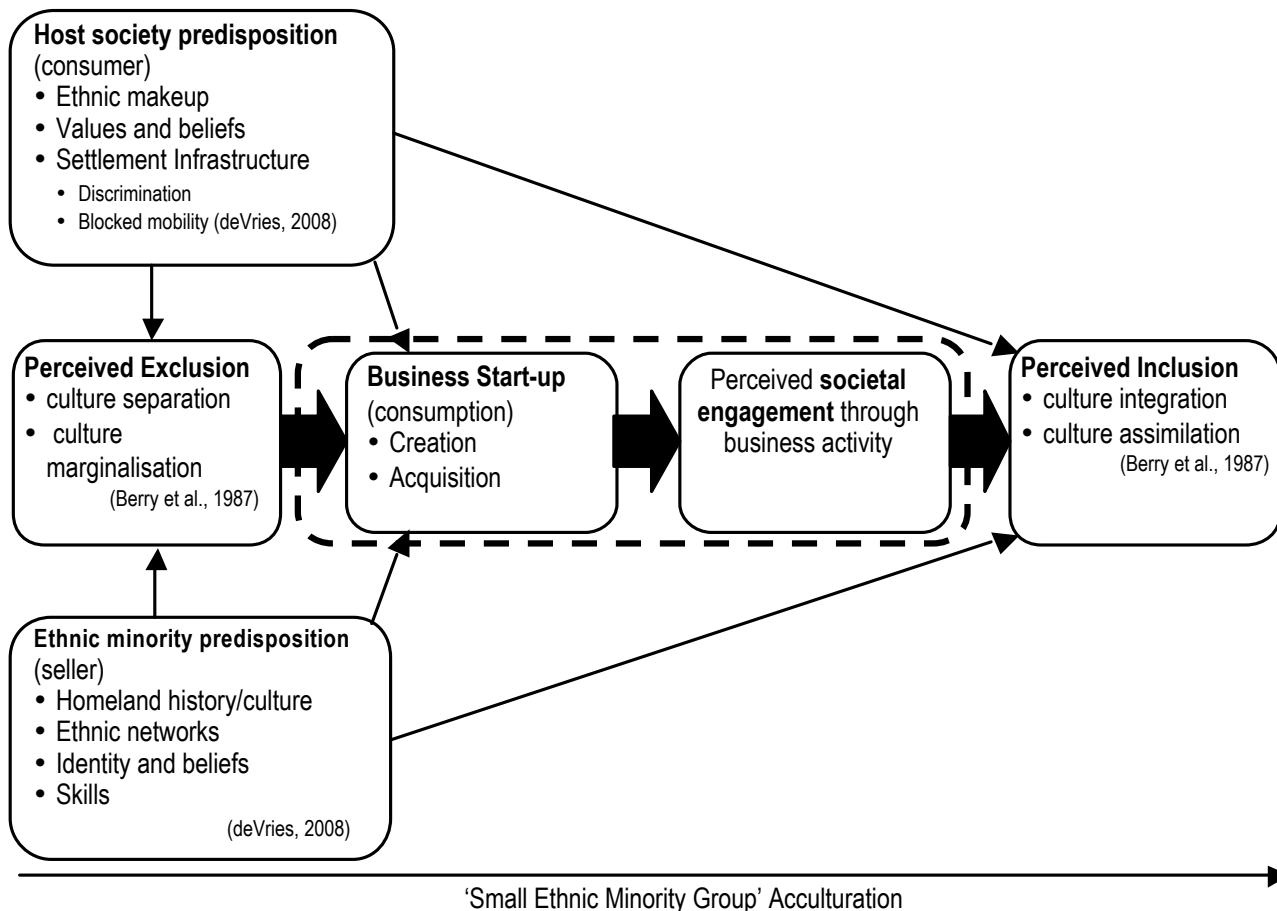
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# Shame or Pride? The Moderating Role of Self-Construal on Moral Judgment for Fashion Counterfeits

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## ABSTRACT

Counterfeiting – the identical copying of original brand name products – threatens legitimate businesses. The present research examines the moderating role of individuals' self-view (self-construal) in the relationship between moral emotions and moral judgment when considering the purchase of fashion counterfeits. The results of two studies demonstrated that independents were more likely to judge counterfeits as morally wrong when pride was associated with counterfeits or was evoked through an anti-counterfeit campaign than when shame was. On the other hand, interdependents were more likely to judge counterfeits as morally wrong when shame was associated with counterfeits or was evoked through an anti-counterfeit campaign than pride. Results can inform marketing communication campaigns to prevent the proliferation of counterfeits in the fashion industry.

## EXTENDED ABSTRACT

Counterfeits are unauthorized identical copies of an original brand name product and typically their price and quality are much lower than those of originals (Zaichkowsky 2006). The International Anticounterfeiting Coalition estimates the size of the worldwide counterfeit market is approximately 5–7% of the total merchandise market or US$600 billion (International Anticounterfeiting Coalition 2011). A major limitation of extant research concerning counterfeit consumption is that previous researchers examining factors shaping purchase of counterfeit goods have taken a rationalist approach (Haidt 2007) focusing on cognitive processes involved in decision making rather than emotional ones (Eisend 2000). Evidence that moral emotion may be an important variable to curtailing consumption of counterfeits is located in research by Kim, Cho, and Johnson (2009) who documented that individuals' proneness to guilt influenced their moral judgments concerning the purchase of counterfeits. Research on self-construal (Markus and Kitayama 1991) suggests that a consumer's self-view (self-construal) may be tied to the moral emotions experienced and thus their moral decision making with respect to the purchase of counterfeits. Thus, the objective of this research was to investigate whether self-construal moderates the relationship between moral emotions and moral judgment concerning intention to purchase counterfeits.

## THEORETICAL BACKGROUND

Markus and Kitayama (1991) introduced the psychological concept of self-construal which refers to the "constellation of thoughts, feelings, and actions concerning the relationship of the self to others and the self as distinct from others" (Singelis and Sharkey 1995, 624). Self-construal is often used as a psychological concept to represent the characteristics of individualistic and collectivistic cultures (Markus and Kitayama 1991). Researchers have shown that distinct self-views of "independent" versus "interdependent" coexist among all individuals in all cultures and that salient situational cues can temporarily modify self-construal style (Brewer and Chen 2007; Gardner, Gabriel, and Lee 1999). An independent self-construal is evidenced when individuals tend to define themselves in terms of attributes that make them unique and different from others (Markus and Kitayama 1991). In contrast, an interdependent self-construal is evidenced when individuals tend to define themselves in the context of relationships and group memberships.

Markus and Kitayama (1991) argued that independents tend to experience or express ego-focused emotions because these emotions affirm an individual's internal state, experience, and expression. Examples of ego-focused emotion that are relevant to moral decision making situations include feelings of pride or anger (Aaker and Williams 1998; Kitayama, Mesquita, and Karasawa 2006). On the other hand, interdependents tend to experience or express other-focused emotions such as guilt and empathy (Aaker and Williams 1998; Kitayama et al. 2006) because these moral emotions are "associated with others in a social context or close others and are consistent with the need for unity, harmony, and the alignment of one's actions with those of another" (Aaker and Williams, 1998, 241). Examples of other-focused emotions that are relevant to moral decision situations include shame, guilt, and empathy (Aaker and Williams 1998; Kitayama et al. 2006).

Expecting that ego-focused emotions would be dominant in a consumption situation for members of individualistic cultures (Aaker and Williams 1998), we hypothesized that the influence of ego-focused emotions on moral judgments will be higher for high independents than for low independents. Similarly, we hypothesized that the influence of other-focused emotions on moral judgments will be higher for high interdependents than for low interdependents.

**Study 1:** To examine the extent to which one's view of self can moderate moral emotion, we operationalized self-construal and ego-focused emotion and other-focused emotion in multiple ways. In Study 1, we measured chronic individual differences in self-construal along the Self-Construal Scale (Singelis 1994). In order to measure ego-focused versus other-focuses moral emotions, we selected "pride" for ego-focused emotions and "shame" for other-focused emotions because the literature on emotion in psychology and consumer behavior suggests that pride is a strong example of an ego-focused emotion and shame is a strong example of an other-focused emotions (Aaker and Williams 1998; Makus and Kitayama 1991). Guilt and shame were measured after asking participants to read a scenario. One hundred and ninety-five undergraduate students (137 women; 58 men) participated. The regression analysis revealed a main effect for pride ($\beta = -.26, p = .000$), shame ($\beta = .34, p = .000$), and self-construal ($\beta = -.31, p = .036$). The interaction between self-construal and pride was significant ($\beta = .28, p = .017$). The influence of pride on moral judgments was higher for independents than for interdependents. Separate regression analyses for independents and interdependents revealed that pride had a significantly stronger negative effect for independents ($\beta = -.52$) than for interdependents ($\beta = -.20$) ($z = -2.30, p < .05$).

**Study 2** was an experiment wherein situational self-construal was manipulated by priming methods (Trafimow, Triandis, and Goto 1991; Zhu and Meyers-Levy 2009). An ego-focused emotion (guilt) and an other-focused emotion (shame) were evoked by varying the messages of print advertisements for an anti-counterfeit campaign. Sixty-nine undergraduate students (34 men; 35 women) participated. The study was a 2 (self-construal) × 2 (emotional appeal) between-subjects design and analysis of variance was used to analyze the data. An interaction effect between self-construal and emotional appeal on moral judgment emerged ($F(1.65) = 3.67, p = .002$).

Subsequent contrasts revealed that independence-primed participants evaluated the counterfeit purchase as more morally wrong when they read the pride-appealing anti-counterfeit print ad ($M = 5.60$) than when they read the shame-appealing anti-counterfeit print ad ($M = 4.33$; $F (1.65) = 6.07, p = .016$). In contrast, interdependence-primed participants evaluated counterfeit purchase as more morally wrong when they read the shame-appealing anti-counterfeit print ad ($M = 4.94$) than when they read the pride-appealing anti-counterfeit print ad ($M = 3.98$; $F(1.65) = 3.99, p = .05$).

## GENERAL DISCUSSION AND IMPLICATIONS

Data from Studies 1 and 2 revealed the moderating effect of self-construal on moral judgment. The contribution of this research is the expansion of prior work on consumers' purchase of counterfeit goods by the discovery of the causal direction of individuals' differences in self-view and its impact on moral judgment with respect to the purchase of fashion counterfeit goods. Understanding differences in self-view can provide useful information to the marketing communicators or policy makers who design consumer education campaigns to reduce the problems generated from the purchase of counterfeits and facilitate consumer responsibility in the consumption act.

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# An Exploratory Study of the Dimensionality of Consumers' Propensity to Co-Create Brand Value

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## ABSTRACT

The objective of this paper is to investigate consumers' propensity to co-create brand value. The literature review revealed six dimensions for the co-creation construct—commitment/engagement, knowledge, motivation, creativity/self-expression, trust, and network. A qualitative study provided empirical support for these dimensions. Managerial implications and future research directions are discussed.

Several researchers and practitioners have noted the importance of encouraging customer participation (Cook, 2008; Evans & Wolk, 2005; Prahalad & Ramaswamy, 2004; Seybold, 2006; von Hippel, 2005). However, most of the existing work on co-creation has been conducted in the B2B context. Despite its importance in consumer markets, not much research on co-creation exists (Hoyer et al., 2010). Furthermore, the few studies that exist in the consumer context have focused on examining specific exemplars of co-creation (Bendapudi & Leone, 2003; Grewal et al., 2006; Bayus, 2009; Prügl & Schreier, 2006) or on developing typologies of co-creation (Boyle, 2007; O'Hern & Rindfleisch, 2008).

These studies provide valuable insights into motives and mechanisms underlying customer co-creation. However, their underlying assumption is that all customers co-create value similarly. In this paper, we argue that customers differ from each other in terms of their propensity to co-create brand value. Furthermore, we argue that the firms that are able to identify the customers who are more willing to co-create are able to create greater brand value. What firms need, therefore, is a means to identify those stakeholders who are more willing to co-create brand value. This constitutes a first step in developing customer- and service-centric strategies that help firms co-create brand value effectively and efficiently (Merz, He, & Vargo, 2009).

To address this gap, we aim to identify the dimensionality of customers' propensity to co-create. In the following, we begin by discussing value co-creation and developing its dimensions from the literature. Next, we report the results of a qualitative study conducted to gain further insights into the dimensionality of co-creation. Finally, we discuss the results of our exploratory study, provide managerial recommendations, and discuss opportunities for further research.

## VALUE CO-CREATION

The evolving service-dominant (S-D) logic in marketing suggests that value is always co-created between a firm and its stakeholders (Vargo & Lusch, 2004). It acknowledges that consumers are operant resources capable of creating value for themselves and for others. The concept of value co-creation extends the established notion that value is solely created by the firm (Falkenberg, 1996; Prahalad & Ramaswamy, 2000). Moreover, co-creation relations are unique in that they create knowledge *with* the partner instead of acquire knowledge *from* the partner (Prahalad & Ramaswamy, 2004).

Firms have recognized that value is no longer created solely by the firm but instead co-created with the resourceful customers (Friedman, 2006; Tapscott & Williams, 2006). Co-creation is considered an important manifestation of customer engagement behavior (e.g., van Doorn et al., 2010). It helps firms reduce costs, increase the effectiveness of their innovation efforts, reach young consumers, and be relevant (Hoyer et al., 2010).

Bendapudi and Leone (2003) provide an overview of research on co-production and co-creation. We use the term co-creation here thereby adopting Vargo and Lusch's (2006) view that the term 'co-producer' has a connotation of a goods-dominant (G-D) logic. Research on co-creation has focused on the voice of the customer (Jaworski & Kohli, 2006), a cost-function model of co-production (Etgar, 2006), supply chain issues and value chain management (Flint & Mentzer, 2006), and marketing strategy effectiveness and operations efficiency (Kalaignanam & Varadarajan, 2006). This research has provided significant insights into different components of co-creation. Furthermore, Prahalad and Ramaswamy (2004) and Payne, Storbacka, and Frow (2008) provide frameworks to help firms manage the co-creation process.

However, while the literature gives examples of firms that co-create value with their stakeholders and provides insights into *what* needs to be done and

*how*, there is relatively little direction on *with who* brand value should be co-created. Not all customers have the same propensity to co-create brand value. Consequently, identifying the customers who have a high propensity to co-create brand value might help firms increase their brand equity. In the following, we aim to identify the dimensions that provide insights into customer's propensity to co-create.

## VALUE CO-CREATION DIMENSIONS

To develop relevant dimensions for the concept of co-creation, we first reviewed the relevant literature. Six dimensions that underpin customer's propensity to co-create emerge from a review of the literature. They include: (1) commitment/engagement (Randall et al. 2011; Harwood and Garry 2010; Payne et al. 2008); (2) knowledge (Harwood and Garry 2010; Hoyer et al. 2010; Payne et al. 2008); (3) motivation (Harwood and Garry 2010; Hoyer et al. 2010); (4) creativity/self-expression (Csikszentmihalyi 1996; Lakhani and Wolf 2005; O'Hern and Rindfleisch 2010; Shah 2006); (5) trust (Harwood and Garry 2010; Prahalad and Ramaswamy 2004; Randall et al. 2011); and (6) network (Harwood and Garry 2010; Prahalad and Ramaswamy 2004).

To gain further insights into the dimensionality of co-creation and validate the dimensions identified by the literature review, we conducted a qualitative study of customers. One hundred university students participated in this customer-firm collaboration study in exchange for extra credit. The sample included undergraduate (77%) and graduate (33%) students of both genders (females = 51%, males = 49%). The average age was 24.

We first instructed subjects to think about customers who are willing to collaborate with firms. Second, we asked them to list three adjectives that best describe such customers. Third, we asked them to put themselves in companies' shoes and provide a description of the "ideal consumer" with who firms would like to collaborate.

The data revealed 299 adjectives and 3,117 words of descriptions. The first part of our analysis focused on the adjectives that were provided by subjects. This step reduced the 299 adjectives to 106 *unique* adjectives, which we grouped together according to their meaning. The resulting dimensions of the qualitative study provided support for the dimensions identified in the literature review. Subjects, in fact, listed 16 characteristics related to customer commitment and engagement (e.g., "loyal",

"passionate", "active/proactive"), 19 characteristics related to knowledge (e.g., "opinionated", "smart", "confident", "knowledgeable"), 29 characteristics related to motivation (e.g., "helpful", "curious", "interested", "motivated"), 17 characteristics related to creativity and self-expression (e.g., "creative", "innovative", "open/open-minded"), and 13 characteristics related to trust (e.g., "honest", "friendly", "patient"). Therefore, the qualitative study fully supported the first five dimensions identified in the literature review. Interestingly, however, it did not fully support the network dimension. Subjects only mentioned 2 characteristics that can be traced back to this dimension (i.e., "social" and "belonging"). Moreover, subjects mentioned ten adjectives that seemed unrelated to the other dimensions.

The second part of our analysis considered the descriptions of the "ideal consumers". We checked the descriptions for concepts already mentioned by subjects when listing the three adjectives as well as for new ideas and meanings. Our analysis revealed a high consistency with previous findings. All six dimensions received strong support. Our analysis also allowed us to gain further insights into two dimensions. In particular, the "network" dimension received stronger support in this than the first part of the analysis. Some subjects acknowledged the importance that customers are part of social networks or online communities, and that they can report not only their own but also others' feelings (Subject # 76), promote the product/brand (Subjects # 74, 95, 97, 98), and, in more general, influence others (Subjects # 51, 59, 99). Moreover, within the "knowledge" dimension, some subjects referred to unsatisfied customers (Subjects # 6, 11, 93) and competitors' customers (Subject # 93) as a potential source of knowledge. Subjects also reported that the ideal customer should have the ability to communicate effectively (Subjects # 12, 28, 59, 77, 78).

In sum, the qualitative study shows that customers' perceptions on the co-creation construct are aligned with the literature. However, it also highlights that customers attach different degrees of importance to the six propensity to co-create dimensions.

## DISCUSSION

The objective of this paper was to identify the dimensions of consumers' propensity to co-create brand value. The literature review identified six dimensions, which received further support from the

qualitative study.

These findings might help firms co-create brand value more effectively and efficiently. To illustrate, the six identified dimensions could be used to identify the customers who are more willing to co-create brand value with the firm. Who are the customers with the greatest commitment, knowledge, creativity, and so on? Being able to identify such customers might help firms create greater brand value.

Furthermore, firms could use the six dimensions to increase consumers' propensity to co-create. First, firms could use these dimensions to better position themselves in the eyes of their customers. For example, if firms know that "engagement" and "creativity" matter to customers' willingness to co-create, then it might be beneficial for firms to position themselves along such dimensions if they aim to co-create brand value together with customers. Second, firms could use these dimensions as a starting point to identify their weaknesses and strengths regarding co-creation of brand value. For example, our analysis revealed that "commitment/engagement" and "trust" matter to co-create brand value. Firms need to ask themselves what they currently do regarding these dimensions, how customers perceive them with regard to these dimensions, and what they can do to improve customer perceptions along these dimensions.

However, our analysis is exploratory in nature and desires further research. Exploratory and confirmatory factor analyses are necessary to validate empirically the dimensionality of consumers' propensity to co-create brand value. This could result in an overall measure of consumers' propensity to co-create brand value, which could be employed in firms' segmentation and positioning analyses.

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# Skirt Length Theory: The Impact of Perceived Financial Status on Skirt Length Preference

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## ABSTRACT

The belief that there is a relationship between skirt length and the state of the economy is strongly established among laypeople. In this paper, we examine the impact of the perception of financial status on skirt length preference. Using the "Environmental Security Hypothesis" as a theoretical framework, we predict that people will prefer short to long skirts when they perceive their financial status as good. Two experiments demonstrate that consumers' preference for short (vs. long) skirts is systematically changed by different perceptions of financial status. Furthermore, this preference occurred due to their perceived need for security.

## EXTENDED ABSTRACT
## BACKGROUND

The belief that there is a relationship between skirt length and the economy is strongly established among laypeople. The "Hemline Theory" was introduced by the economist George Taylor in 1926. This suggested a relationship between the length of hemlines on women's skirts and the status of economy (cited in Baardwijk and Franses 2010). According to the theory, which is still followed by many stock brokers today, when the economy is flourishing, skirts get shorter, and when the economy is performing badly, skirts get longer.

Interestingly, in the fashion industry the opposite belief has been also commonly held. Some designers in the fashion industry believe that women's skirt lengths would be shortened when their economic status is bad (Diderich 2009; Finneran 2008). One of reasons behind this belief is that in a bad economic situation, designers and retailers create and display unique styles of clothing in order to attract consumers' attention (Jones 2008; Nichols 2010). Short skirt length is therefore one way to increase consumers' attention.

While such often controversial beliefs exist among laypeople and practitioners, empirical and academic studies on this issue are scarce. Mabry (1971 cited in Barber 1999) and Baardwijk and Franses (2010) showed that skirts become shorter as stock prices rise. On the other hand, Hill, Donovan, and Koyama (2005) found the opposite relationship to exist – as economic conditions declined the appeal of body–revealing images in fashion advertisements increased. Drawing on emerging theory in evolutionary psychology we provide a theoretical explanation and empirically investigate this causal relationship between economic conditions and skirt lengths in two experiments.

## THEORETICAL BACKGROUND

Pettijohn and her colleagues have shown that perceptions of environmental security influence fashion magazines' preferred facial and body features in women (Pettijohn and Tesser 1999; Pettijohn and Jungeberg 2004). They developed the "Environmental Security Hypothesis" which is based on evolutionary theory and posits that the "specifics of attractiveness may in part depend on how secure people feel in their surroundings" (Pettijohn and Jungeberg 2004, 1187). Pettijohn and Jungeberg (2004) found that when economic and social conditions were threatening, mature facial and body features (e.g., older, taller, less curvy) were predominantly presented in famous magazines. This phenomenon occurs because individuals in threatening situations are attuned to the heightened need for security and assurance, and thus prefer mature features to satisfy this need.

Building on the Environmental Security Hypothesis, we propose that the perception of environmental security can explain preference for women's skirt length. When people perceive their financial status to be bad they will tend to prefer long skirts because long skirts emphasize the maturity of the wearer, whereas people will prefer short skirts when they perceive their financial status to be good because there is no imperative to look mature.

**H1:** Women will prefer short (long) skirts to long (short) ones when their perception of financial status is good (bad).

**H2:** Women who have a strong need for security will prefer long skirts to short ones.

## PRETEST

We conducted a pretest to verify our assumption regarding the relationship between the desire to look

mature and skirt length. Specifically, we assumed that when people have strong motivation to look mature, they would prefer a long (vs. short) skirt. Ten female undergraduate students (average age = 21.4) were first asked to imagine that they wanted to come across as "mature." They were then exposed to the choice task of the two pleated skirts. The description and images of the skirts was identical; however only skirt length was manipulated as either short or long. The results supported our assumption. Those people who wanted to appear "mature" chose long skirts over short ones (% of long skirt = 90.0%, $\chi^2_{(1)} = 10.83$, $p$ <.01).

**Study 1** Drawing on the notion that people prefer short skirts to long ones when their perception of their financial status is good, we investigated consumers' preferences for skirt length by manipulating their perception of their own financial status. Forty-six female undergraduates (average age = 20.6, range = 19–23) participated. The perception of economic status was manipulated by changing the individuals' perception of their current financial status (adapted by Morewedge, Holtzman, and Epley 2007). Participants in good financial situations were asked to estimate their *monthly* spending, whereas those in bad financial situations were asked to estimate their *daily* spending. Specifically, they were asked to write down their estimates of their average spending in five categories (i.e., food, transportation, entertainment, clothes, and books). Then participants were asked to choose either short or long skirt for two types of skirts (denim skirts and pleated skirts); each type of skirt looked identical except in the area of length.

The results supported H1. Those people who estimated their monthly spending preferred short denim skirts (% of short skirt = 17/22, 77.3%) more than those who estimated their daily spending (10/24, 41.7%, $\chi^2_{(1)} = 6.00$, $p$ <.05). Similar results was found for the pleated skirts (15/22, 68.2%, vs. 8/24, 33.3%, $\chi^2_{(1)} = 5.58$, $p$ <.05). These results showed that women prefer short skirt (vs. long shirt) when their perception of their financial status is good.

**Study 2:** The purpose of Study 2 was to examine whether the need for environmental security influences preference for long or short skirts. Participants' need for security was manipulated by employing a procedure that has been used in "self-regulatory focus" research (e.g., Higgins 1997). Higgins (1997) suggested that individuals differ in the degree to which they are either "promotion-oriented" or "prevention-oriented." Individuals who are prevention-oriented are concerned with security (or

minimizing negative outcomes), whereas individuals who are promotion-oriented are concerned with achievement (or maximizing positive outcomes).

Thirty-two female undergraduate students (average age = 20.6) were first asked to write down either their goals and hopes (promotion condition) or their duties and obligations (prevention condition), in an attempt to prime need for security. After their regulatory focus had been primed through the writing exercise, they were exposed to the same choice task of pleated skirts as Study 1.

Those people who wrote their duties and obligations preferred the long pleated skirt to the short one (% of long skirt = 12/17, 70.6%) more than those who wrote their goals and hopes (5/15, 33.3%, $\chi^2_{(1)} = 4.44$, $p$ <.05). This result supported H2, showing that people who have a strong need for security preferred long skirts to short ones.

## GENERAL DISCUSSION

This study examined the impact of the perception of financial status on skirt length preference. Study 1 demonstrated that consumers' preference for short or long skirts can be systematically changed by different perceptions of financial status. Study 2 showed that difference in the preference for skirt length occurs due to the need for security. In sum, this research can contribute to providing empirical support of George Taylor's "Hemline Theory" first suggested in 1926. Finally, this study helps to explain long-lasting beliefs concerning the relationship between skirt length and economic conditions.

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# Consumer Ethnocentrism: Reconceptualization and Cross-cultural Validation

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## ABSTRACT

Prior research on 'Consumer Ethnocentrism' (CE) shows mixed results across different product categories, over time, and in relation with other constructs such as animosity, open mindedness, cosmopolitanism etc. Most studies also do not establish the unidimensionality and cross-cultural measurement invariance of CETSCALE. This paper develops and tests a new multi-dimensional CE scale to address these concerns.

**Keywords:** Consumer ethnocentrism, cognitive bias, domestic vs. foreign products, services Consumer Ethnocentrism: Reconceptualization and Cross-cultural Validation

## INTRODUCTION

Shimp and Sharma (1987) defined 'Consumer Ethnocentrism' (CE) as a tendency of consumers to reject imported products and prefer domestic products, and introduced CETSCALE (a 17-items scale) to measure this construct. Since then many studies have explored the influence of CE on consumers around the world, but mostly with mixed results. For example, some find that the influence of CE may be product-category specific (e.g., Herche 1992; Kim and Pysarchik 2000), and that the effects of CE may not be stable over time (Nielsen and Spence 1997). Others show only a small or no significant main effect of CE (Acharya and Elliott 2003), or significant impact of demographic factors on CE (Nguyen, Nguyen, and Barrett 2008) unlike Sharma et al. (1995). Most studies also did not test the measurement invariance of the full CETSCALE or used its shorter versions (e.g., Cleveland, Laroche, and Papadopoulos 2009), raising concerns about the validity of their findings.

Most studies using the full CETSCALE also could not replicate its unidimensional structure (Hsu and Nien 2008), as proposed by Shimp and Sharma (1987). There is also a lack of consensus on the role of various antecedents of CE such as patriotism, collectivism, conservatism, global mindedness, cosmopolitanism, internationalism, and world mindedness (Javalgi et al. 2005; Suh and Kwon 2002). As a result despite its popularity, there are major concerns about the conceptual definition and structure of the CE construct and the validity and dimensionality of CETSCALE.

This paper addresses all the above concerns. First, based on an extensive review of international marketing and cross-cultural social-psychology research, it reconceptualizes CE as a three-dimensional construct consisting of affective (affinity for domestic products and aversion for foreign products), cognitive (evaluation bias in favor of domestic products), and behavioral (rejection of foreign products and acceptance of domestic products) dimensions. Next, it develops and validates a new scale to measure these three dimensions across different cultures, using well-established scale development procedures and a series of empirical studies with adult consumers from diverse cultural backgrounds in four different countries. Finally, it tests the reliability and validity of the new scale along with its cross-cultural measurement invariance.

## THEORETICAL BACKGROUND

Consumer ethnocentrism originates from the general concept of ethnocentrism, characterized by a favorable bias towards everything related to one's own group (in-group) versus others (out-group), and consists of the following properties: 1) distinction among different groups; 2) biased perception about events that favor own group's interests; 3) perception about own group as the center of the universe; 4) suspicion and disdain for other groups; 5) perception about own group as being superior, strong, and honest; and 6) perception about other groups as being inferior, weak and dishonest (LeVine & Campbell, 1972).

Notwithstanding the above, the current conceptualization of CE focuses primarily on one context (imported products) and tries to tap the attitudinal, behavioral and socio-normative aspects of this complex construct using a rather simplistic unidimensional structure; whereas several studies show that it possesses at least two or more dimensions (e.g., emotional vs. rational, soft vs. hard etc). Therefore, based on an extensive review of the extant literature on ethnocentrism as well as country-of-origin effects, this paper reconceptualizes CE as a three-dimensional construct:

***Affective reaction:*** High ethnocentric

consumers show an affinity for domestic products and aversion for foreign products irrespective of their respective quality, as reflected in its affective aspect, called 'emotional' or 'soft' ethnocentrism in prior research.

*Cognitive bias:* High ethnocentrics display a cognitive bias not only in favor of domestic vs. foreign products but also service providers, hence it is an important dimension of CE.

*Behavioral preference:* Rejection of foreign products and acceptance of domestic products is an important element of CE. However, this paper goes beyond the preference for domestic products and extends its scope to other behavioral aspects (e.g., trial, repeat purchase, and positive WOM) as well as other contexts (e.g., service encounters).

## STUDY 1: Scale Development and refinement

First, an initial pool of 36 items was generated based on an extensive literature review, focusing especially on the existing scales used to measure CE and ethnocentrism. Four independent judges (marketing professors not related with this study) reviewed all the items and based on the scores assigned by them 24 items were retained, with eight items for each of the three dimensions. This scale was further refined using data from a random sample of shoppers in major metropolitan areas in the four countries (N = 640). All the 24 items were interspersed throughout a questionnaire with a 7-point Likert-type response format (1 = strongly disagree, 7 = strongly agree) and administered as a part of a general survey of shopping habits of the consumers to mask its real purpose and to minimize demand effects.

Exploratory factor analysis and item-to-total correlations were used to assess all the items, omitting items with factor loadings below .40 and/or item-to-total correlations below .50 as recommended. This resulted in the elimination of six items, two from each dimension of the 24-item scale, and the remaining 18 items loaded on three factors as expected, explaining 72% variance in the data (42%, 18%, and 12%) with four items loading significantly on each of the three factors, named affective reaction, cognitive bias and behavioral preference. Next, each set of six items was treated as a sub-scale to test its individual reliability as well as for the full 18-item reduced scale. All the scales showed high reliability (Cronbach's α = .80 to .86).

## STUDY 2: Scale Validation

The purpose of this study was to confirm the three-dimensional structure of the new CE scale and to establish its discriminant, convergent and nomological validity, and its cross-cultural measurement invariance using a fresh sample (N = 1080). Hence, in addition to the new CE scale, it included several other scales, namely CETSCALE, consumer animosity, racism, consumer affinity, national identification, patriotism, nationalism, internationalism, and cosmopolitanism. In addition, consumer perceptions about ten categories each of domestic and foreign products and services were used to test the predictive validity of the new CE scale.

Confirmatory factor analysis on all the scales using maximum likelihood estimation procedure with AMOS 6.0 helped assess the construct validity of the new scale. As expected, all the items loaded highly (> .60) on their original scale as expected, with no major cross-factor loadings (> .40). All the t-values were high, suggesting high significance of all the factor loadings. The composite reliability estimates were also high, ranging from .75 to .90 for all the scales including the three sub-scales of the new CE scale. None of the confidence intervals of the correlation coefficients for each pair of scales (phi-estimates) included 1.0, providing adequate support for the convergent and discriminant validity of the new scale.

Next, three alternative measurement models (i.e., with one, two and three factors) were tested to examine the dimensionality of the new scale. As expected, the three-factor model provided a superior fit. Chi-square value of the three-factor model was significantly lower than the other models. Moreover, all the other fit indices were also significantly higher for the three-factor model (RMSEA = .044, AGFI = .91, NFI = .93, CFI = .96). The average variance extracted for each dimension was greater than the squared correlation among the three dimensions and .50, which indicates the independence of the dimensions, showing convergent validity. Hence, affective reaction, cognitive bias, and behavioral preference seem to represent three reliable and valid dimensions of consumer ethnocentrism.

A look at the phi (Φ) estimates for the correlations between the new CE scale and its dimensions and all the other scales showed the expected pattern of correlations, providing support for the nomological validity of the new scale. The new scale also showed high predictive validity compared to the old CETSCALE as well as all the other scales,

by explaining greater variance in the consumer perceptions about ten categories of domestic and foreign products and services. Finally, the cross-cultural measurement invariance of the new scale was tested using the multi-step process (Steenkamp and Baumgartner 1998), showing full configural, metric, and scalar invariance but only partial factor covariance and error variance invariance.

## DISCUSSION AND CONTRIBUTION

This paper makes a significant contribution by addressing many important gaps in study of consumer ethnocentrism by developing and testing a new multidimensional scale to measure this complex construct. Using a series of studies with retail shoppers in four countries with varying levels of economic development and cultural values, it shows that CE has three different aspects – affective, cognitive and behavioral. Therefore, international managers need to acknowledge the importance of these dimensions and their unique influence on consumers' perceptions and evaluation of domestic vs. imported products and services. Future research may further replicate the findings reported in this paper by testing the three-dimensional structure of this new scale and its psychometric properties with consumers in other countries and cultural contexts.

**Keywords:** Consumer ethnocentrism, cognitive bias, domestic vs. foreign products, services

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# Negative Affect and Choice of an Avoidant Response: The Moderating Effect of Accountability Degree and Type

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## ABSTRACT

Accountability has been touted as a panacea to counteract decision biases. Recently, two types of accountability – outcome and process – have emerged. We examine the interactive effect of emotions and accountability on choice. We find that while generalized and outcome accountability actually amplify emotion effects, process accountability helps attenuate them. Underlying driver of choice patterns is also examined.

## EXTENDED ABSTRACT

Research over the past decade or so has clearly established that incident or ambient affect, although irrelevant to the task at hand, influences numerous aspects of judgment and decision making. Its pervasive influence has been seen across the spectrum from risk seeking (Johnson & Tversky, 1983; Lerner & Keltner, 2001), information processing (Isen, 2001; Tiedens & Linton, 2001), choice (Garg, Inman, & Mittal, 2005), as well as consumption (Garg, Wansink, & Inman, 2007). Recent research has further highlighted that even emotions of the same valence such as sadness, anger, and fear, can have distinct influence and it is important to consider more than just the valence (positive versus negative) of an emotion (DeSteno, Petty, Wegner, & Rucker, 2000; Lerner & Keltner, 2001; Tiedens & Linton, 2001; Raghunathan & Pham, 1999).

A multitude of moderators have been examined to control the sometimes deleterious influence of affect such as information and salience of the source of affect, among others. In general, research in decision making has long held the assumption that increased task involvement implies better decision making. Accountability is one such factor that is supposed to focus the individual on the task and attenuate any contextual, irrelevant effects on judgments and decisions such as incidental emotion (Bodenhausen, Kramer, & Susser, 1994; Lerner, Goldberg, & Tetlock, 1998). However, unlike some other moderating factors of incidental affect (e.g., source salience, information) that are limited in their impact, accountability has been touted as a "solution for everything from the national debt, to failing schools to climate change," (Lerner & Tetlock, 1999, p. 255).

Recent research in accountability has further nuanced our understanding by focusing on two forms of accountability – process and outcome based – that can have differential influence on decision making (Lerner & Tetlock, 1999; Simonson & Staw, 1992). Specifically, under process accountability (PA) decision makers are accountable for the procedure used to arrive at a decision, whereas under outcome accountability (OA) they are accountable only for the quality of the outcome, with no evaluation of their decision process (Zhang & Mittal, 2005). Research shows that while both process and outcome accountability influence a decision, *decision biases are relatively lower under process accountability than under outcome accountability* (e.g., Siegel-Jacobs & Yates, 1996). For example, individuals have been found to use more relevant information leading to higher judgment accuracy, under process than under outcome accountability (Siegel-Jacobs & Yates, 1996). Although accountability research is sizable, studies have largely dealt with generalized accountability (low vs. high) rather than specific accountability types, especially in the emotion literature (see Lerner & Tetlock, 1999 for a review).

Thus, it is unclear whether and how the specific types of accountability moderate the influence of specific, discrete affect especially, emotions of the same valence. Accountability comes from a very rich theoretical background and is especially pertinent to decision making (Lerner & Tetlock, 1999). It is important to examine whether accountability is indeed the panacea that will counteract the effects of incidental affect as well, and whether one type of accountability is distinct from another (process vs. outcome) in this context and thus, better suited to the attenuation of emotion effects.

The objective of our research then, is to examine the influence of specific, discrete emotions on consumer choice with accountability degree (low vs. high) and type (PA vs. OA) as the moderating factors. In the current research, we focus on anger and fear, two *discrete, incidental emotions of the same valence*. Anger and fear are interesting emotions to

examine because even though they are both negative in valence, they differ on other key appraisals such as certainty and control. Prior research has suggested that these differences are associated with differences in information processing and hence, decision making (Lerner & Keltner, 2001; Tiedens & Linton, 2001). We hypothesize that consumers experiencing anger versus fear will display differential reliance on avoidance choice strategies such as delaying the decision (choice deferral), and that this effect will be moderated by accountability. Our reasoning for the above hypothesis is that anger - high certainty emotion- is associated with more heuristic processing while fear - low certainty emotion- is associated with more thorough, systematic processing (Tiedens & Linton, 2001). This differential in information processing in turn, will be reflected in their decision to defer choice when faced with a difficult task. We run a series of three studies to test this and related issues.

**Study 1** finds that making people accountable for their decision (i.e., manipulating degree) actually amplifies the differences across emotion conditions with angry individuals increasing their reliance on choice deferral, an avoidant response. As expected, fearful individuals do not exhibit any difference in avoidance choice across the two accountability conditions, due to more systematic processing. Thus, Study 1 highlights that simply holding individuals accountable might not be sufficient and might in turn, enhance emotion effects.

**Study 2** manipulates accountability type rather than accountability degree. In this study, we find that accountability type influences emotions' impact differently. While outcome accountability actually increases differentiation among the emotion states, process accountability attenuates the differences to yield similar choice patterns across the emotion states. Additionally, Studies 1 and 2 offer a comparison between accountability degree (high/low) and accountability type (process/outcome) and highlight an important finding. The data across the two studies suggest that generalized high accountability (Study 1: $M_{anger}$ = .83, $M_{fear}$ = .53, $M_{neutral}$ = .33) is similar to outcome accountability (Study 2: $M_{anger}$ = .71, $M_{fear}$ = .54, $M_{neutral}$ = .28) but not to process accountability (Study 2: $M_{anger}$ = .55, $M_{fear}$ = .52, $M_{neutral}$ = .61), in its influence. That is, when unspecified, outcome accountability seems to be the default under high accountability.

Finally, **Study 3** extends the results of Study

2 and establishes a driver of the choice patterns. Specifically, why do people go for the avoidant option (choice deferral) when they are angry and what leads to the attenuation of emotion effects under process accountability? As discussed earlier, anger leads to heuristic processing while fear leads to more systematic processing of information. Our results find that this variance in information processing mediates the effect of emotions and accountability type on choice deferral. Overall, our findings establish that while accountability moderates the effect of incidental emotions, it is important to account for the specific nature of that emotion since even emotions of the same valence might lead to differential downstream effects.

Our research makes two important contributions. First, we compare and contrast generalized accountability (degree: high, low) with specific accountability types - process versus outcome – (Study 1 vs. Studies 2 and 3) to examine how accountability degree and type are distinct and whether one type of accountability maps onto generalized high accountability. This will help in extending our understanding of accountability as well as of its role as a moderating variable. It is important to examine whether one form of accountability is more potent than another in attenuating differences in choice patterns. Further, while existing research hints at the possibility that generalized high accountability might imply outcome accountability (Lerner & Tetlock, 1999) and elicit similar effects, to the best of our knowledge, no one has compared the two. By examining the choice patterns across studies 1 and 2, we are able to do so in the current research.

Second, given the pervasiveness of incidental affect in decision making and its unintended consequences on unrelated tasks such as recall and recognition (Isen et al., 1978) and risk assessments (Johnson & Tversky, 1983), it is important to establish its moderators especially, in light of the fact that even emotions of the same valence can have differential effect (Garg et al., 2005; Lerner & Keltner, 2001). Thus our research examines the interaction of accountability and discrete emotions in the context of both, accountability degree (low, high) as well as specific accountability (outcome, process). That is, while most research in marketing has focused on global affect (positive vs. negative) and generalized accountability (low vs. high); we study the cusp of two developing research streams by focusing on specific affective states and specific accountability

types. We argue that discrete incidental emotions lead to different effects, even when these emotional states are of the same valence and that the influence of these emotions on choice is contingent on the accountability type under consideration. Our research highlights that all accountability is not beneficial. It is process accountability rather than outcome accountability or generalized accountability, which is successful in attenuating the contextual effects introduced by incidental affect. Overall, our findings not only contribute to the growing literature in both research streams and broaden our understanding of the nature of emotions and its impact on decision making but also, highlight important practical implications suggesting that accountability type matters and all accountability is not the same.

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# Influences on Consumer Choice of Pension Fund: The Case of New Zealand's KiwiSaver Pension Scheme

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## ABSTRACT

This paper reports an exploratory study of influences on consumer choice of personal pension fund, based on focus group interviews with a sample of New Zealand consumers. The study reveals the most important influences on consumer choices, and the underlining reasons why most consumers choose conservative investment funds.

The New Zealand personal pension scheme KiwiSaver was introduced in 2007. More than half of the funds invested by the end of June 2011 were in conservative funds by default or choice. Concerns have been raised that too many consumers, particularly younger members, are stuck in low-risk, low-return conservative funds that do not match their age and risk profile. This study explores and identifies the major factors influencing consumers' investment fund choices on a spectrum from conservative, through balanced, to growth.

Research into consumers' financial planning for retirement is often framed in the context of two competing theoretical schools: first, the neoclassical theorists who would see consumers as rational, informed financial decision makers who have the cognitive ability to maximize their long-term wealth; and second, the behavioral finance followers who would see consumers as naïve, short on cognitive ability and willpower, nervous of financial risks and prone to following their friends, the defaults or the path of least resistance. Previous research has found consumers' pension fund choices are influenced by the incentives on offer, the enrolment regime, the scheme's default rules and by financial education programs, the latter two being most influential in consumers' pension fund choices.

This exploratory study adopts a qualitative approach with data gathered from three focus groups, each homogeneous by age group. Nine themes are identified in the data, five of which appear the strongest influences on consumers' pension fund choice – attitude to financial risk, perceived time until retirement, advice from family, friends and colleagues, information from providers and the media, and knowledge of investing. Three influences appear of lesser importance – involvement in financial products,

ethical concerns and other assets. Overriding all these factors is the influence of the default investment scheme offered by pension providers.

Attitude to financial risk is the dominant influencing factor on consumers' choice of pension fund. Risk was uppermost in the minds of consumers, in relation to both their pension decision and their financial planning generally. Consumers were evenly split on the topic with half having a negative attitude and half a positive attitude to financial risk.

Many consumers talk about financial planning for their retirement in terms of the stage they are at in their lifecycle. Consumers consider the proximity of their retirement – how close or how distant their retirement seems to them. Not surprisingly, the youngest consumers, the 20-35-year-olds, see retirement as well over the horizon.

Advice from family, friends and colleagues is a strong influencing factor. Consumers listen to the advice of family members and friends, or just talk things over with friends and work colleagues who are in a similar situation. Consumers find such advice aids decision making. Many consumers feel their choice of investment fund is influenced by information and recommendations from their employer, the media, the Government and pension providers. Many consumers have a negative view of pension providers' ability to supply them with timely and useful information. Some feel they were poorly informed when they joined the pension scheme, but the most common source of dissatisfaction is with ongoing information and fund performance reporting supplied by their pension provider. Among the criticisms from consumers are that providers have not clarified where funds are invested; or the information being provided to consumers is too confusing and lacking detail; or the communications are infrequent and require too much effort to understand by the consumer.

Previous experience with investing – or the lack of previous experience – has a bearing on pension fund choice. Consumers in the 55+ age bracket are most talkative on the subject. Some younger consumers who have experience of investing feel that the volatility of the financial markets in recent years – coupled with the widespread failure of finance

companies in New Zealand – makes them wary of investing in shares. Younger consumers talk about their poor understanding of the financial markets, about not having a head for finance, and not being informed enough to take risks.

The strong influence of the pension's default settings is evident, in that over half of the research participants chose their employer's default pension provider. As one participant aged 55-plus put it: "I just placed my confidence in my employer – that someone had made a considered decision to go with Pension Fund X. I'm not into reading balance sheets."

This paper provides insights into factors influencing consumer financial decision-making on pension funds. Many consumers rely on the default fund choice as a convenient cue rather than going through a more rational evaluation process to reach their decision. The paper offers suggestions on the design of pension schemes to better suit the needs of consumers. The paper also provides advice to pension fund providers regarding the extent and quality of information they provide consumers. The study also suggests that the influence of a consumer's financial literacy on their choice of pension fund should be investigated further in future research.

## EXTENDED ABSTRACT

The New Zealand personal pension scheme KiwiSaver was introduced in 2007. More than half of the funds invested at the end of June 2011 were in conservative funds by default or by choice. Concerns have been raised that too many KiwiSavers, particularly younger members, are stuck in low-risk, low-return conservative funds that do not match their age and risk profile. This study explores the major factors influencing consumers' choice of pension fund.

Before the advent of KiwiSaver, superannuation was a wholesale business in New Zealand. Consumers seeking a personal pension scheme worked through an intermediary (an investment adviser or sharebroker) who would recommend schemes and asset classes that matched their circumstances and personal profile. KiwiSaver brought with it a new business model, turning superannuation investing into a retail environment.

KiwiSaver is a second-tier, work-based retirement savings scheme in which members have personal pension accounts. By June 2011, it had attracted 1.75 million members. Members contribute a regular percentage if their gross pay into their accounts, typically two, four or eight percent. There

are three ways to join KiwiSaver: through automatic enrolment when a person starts a new job, through an employer or through a KiwiSaver provider.

The architects of KiwiSaver decided that its default schemes would be based on a conservative investment approach, with 75-85 percent of default portfolios invested in assets such as cash and fixed income products. This would minimize costs for both pension providers and investors and reduce the risk of loss for members who had declined to actively choose an investment fund. However, concerns have been raised within the industry that when people either choose or default into conservative funds they could find their savings growth barely matching inflation (Ministry of Economic Development 2008). This study explores and identifies the major factors influencing consumers' investment fund choices on a spectrum from conservative, through balanced, to growth.

## LITERATURE REVIEW

Several models of consumer retirement investment choice have been produced in the consumer finance literature. One is the three-stage framework for retirement decision making developed by Harrison, Waite, and White (2006). In this model, the pension fund choice process comprises three distinct stages: pre-purchase, purchase and post-purchase. Harrison, Waite and White find consumers' retirement plans are influenced at the pre-purchase stage by their overall attitudes towards and perceptions of retirement. At the purchase choice/selection stage, consumers are reluctant to seek expert advice but prefer to go to personal sources such as friends and relatives (File and Prince 1992; Murray 1991). In the post-purchase evaluation stage, many consumers feel unable to evaluate their choice of pension scheme adequately.

Another model is the retirement investment decision model of Joo and Grable (2000). This model focuses on three factors: a) *environmental influences* including a person's employment, financial dependents and size of household, b) *individual differences* in demographic/socioeconomic characteristics such as age, gender, marital status, income and education level, and c) *psychological processes* including financial attitudes, retirement attitudes and risk tolerance.

A third model is the pre-purchase decision model of Rickwood and White (2009). The model focuses on the pre-purchase stage and the factors influencing consumers' retirement financial planning

decisions. These influences are presented as three sets of factors: internal factors, external factors and risk factors. Involvement level, motivation, needs and wants are identified as internal factors. Rickwood and White find consumers have a limited level of involvement in preparing financially for retirement, with the exception of married males aged 40-55. For most, retirement is not a topic for conversation among friends, and information is generally not actively sought. Age is the strongest influence on retirement savings. Most consumers say they need more information and more education, presented in an easily understood and straightforward manner. The major external factors influencing retirement planning are found to be family influence, marketer influence and competitive options. Family influence has the biggest impact on participants preparing for retirement. Marriage and children are also important. The Rickwood and White study suggests that saving for retirement is triggered by marriage. Advice from a family member is the most respected source of retirement savings information, while advice from respected media commentators can also be influential. Regarding marketer influence, most consumers mention some form of media for gathering information or triggering action. Four *risk factors* are found to be associated with retirement decision making – functional, financial, psychological and temporal (Murray and Schlacter 1990). The weakest influence is temporal. These risk factors have a negative impact on decision making as consumers typically doubt the safety and security of investing for their retirement.

Traditional economics theorists believe that people are rational when they make decisions. However, behaviorists argue people are in fact irrational when faced with important financial issues such as retirement savings planning. One of the earliest breaks from expected utility models was prospect theory (Kahneman and Tversky 1979). It shows that consumers treat gains and losses quite differently. Consequently, investors are more likely to put their money into low interest bank accounts rather than into volatile but potentially more lucrative shares because of their greater sensitivity to making investment losses.

Traditional economic theory holds that a wide range of choices is good for consumers, or at least leaves them no worse off, however behavioral research provides some evidence that people can get overloaded with too many options. Where pension investment is concerned, studies show that scheme participants become overwhelmed by multiple choices and will simplify decision making by going for default options (Sethi-Iyengar, Huberman, and Jiang 2004). A study of participation rates in US pension schemes conducted by Sethi-Iyengar, Huberman, and Jiang (2004) found that as the number of fund options increased, membership of the scheme fell. A personal pension scheme in Sweden that offered participants 456 funds to choose from was widely thought to be overly complex for investors (Sunstein and Thaler 2003).

Retirement savings planning is characterized by passive decision-making, with employees doing whatever requires the least effort and choosing the 'path of least resistance' (Choi, Laibson, Madrian, and Metrick 2002). This would partly explain the popularity of choosing pension scheme default settings. When faced with difficult decisions, a very human response is to do nothing, which Samuelson and Zeckhauser (1988) label the *status quo bias*.

In circumstances where people are on familiar territory and are certain about their preferences, defaults are less important. As Sunstein and Thaler argue (2003), most adults have figured out their preferences for ice cream and would not be influenced by a default option in a shop offering dozens of flavors. Yet in unfamiliar territory, such as choosing between complex investment options, people are attracted to the default settings, often because they see others choosing them (Sunstein and Thaler 2003).

Policy makers and providers designing the default settings for pension schemes have a great deal of influence over the outcomes for scheme members. Even though employees can opt out of such defaults, studies show that few actually do so (Beshears, Choi, Laibson and Madrian 2009). Recent empirical work in a range of settings highlights the attractiveness of the default option: in choosing internet privacy settings (Johnson, Hershey, Meszaros, and Kunreuther 1993); in choosing car insurance (Johnson et al.1993); and on savings choices in retirement plans (Madrian and Shea 2001). For a pension scheme, default settings have been shown to increase participation rates significantly (Choi et al. 2002; Madrian and Shea 2001; Beshears et al. 2009). Due to the pivotal role of the default settings in pension scheme investment choice, Gallery, Gallery, and Brown (2004) argued for a government-regulated universal default fund in Australia to protect those who are unable or unwilling to make choices themselves.

| **INDIVIDUAL DIFFERENCES** | **ENVIRONMENTAL FACTORS** | **RISK FACTORS** |
|---|---|---|
| **Demographic/socioeconomic status**<br>• Age, gender, family, education, income, wealth, employment<br>**Knowledge**<br>• Cognitive skill<br>• Existing financial knowledge, involvement, experience<br>• Attitude to financial control<br>• Propensity for rules of thumb | **Peer influence**<br>• Word-of-mouth from family, friends, colleagues,<br>**Provider and government marketing**<br>• Information about KiwiSaver, workplace seminars<br>**Scheme design**<br>• Fund options, default settings and menu framing | • Actual risk (objective)<br>• Perceived risk (subjective)<br>• Attitude and behavioral response to perceived risk |

**CHOICE OF KIWISAVER FUND/PORTFOLIO**

Based on previous studies, several factors could be influencing consumers' KiwiSaver fund choice (see Figure 1). Individual differences relate to the individual's existing circumstances (demographic and socioeconomic), their knowledge of and experience in financial matters, their attitude to acquiring new knowledge and understanding of their limitations, their cognitive abilities and their propensity to use simple rules of thumb to solve problems. Environmental factors are the more direct influences on their KiwiSaver decision, such as the views of peers (family, friends and colleagues), the availability of information either sought out (voluntary) or passively received (involuntary) from providers, and the way providers have structured fund options and how these are presented in option menus. Risk factors span the actual risk of a fund choice, such as overseas shares, the individual's perception of the risks associated with the various options, and the individual's attitude to that perception and subsequent behavior.

The framework in Figure 1 serves as a starting point for design and planning of the fieldwork, and is used as a guide to plan lines of enquiry in the focus group research.

## METHODOLOGY

A qualitative strategy was used to explore factors influencing the investment fund choices being made by members of KiwiSaver. The fieldwork was guided by a shortlist of potential factors that emerged from the literature (Figure1). The research aimed to view the pension fund choice issue through the eyes of scheme members, to understand how they perceive influences, and how they make sense of and articulate their fund choice decision. Focus group interviews were conducted for three reasons. First, focus groups are an appropriate technique for probing motivating factors, in this case understanding why KiwiSaver members have made particular choices (Bryman and Bell 2007). Second, focus groups allow participants to bring forward issues that they deem to be important, with their ideas challenged by other participants more effectively than is the case in one-to-one interviews. Third, in a focus group setting individuals strive to "collectively make sense of a phenomenon and construct meanings around it" (Bryman and Bell 2007, 512). Previous studies into financial services decision making have used focus groups (Harrison et al. 2006; Rickwood and White 2009). These authors argue that focus groups allow participants who are less than confident and potentially defensive about their financial knowledge to feel more comfortable in a collective setting that provides security and encourages disclosure.

### RECRUITMENT OF GROUPS

Purposive sampling was used to recruit focus group participants (Patton 2002). The criteria for this study were that participants had to be members of KiwiSaver; in addition, diversity was sought in gender and age as there is evidence age and life stage are factors influencing retirement financial planning decisions (Holm 2009; Joo and Grable 2000; Petkoska and Earl 2009; Prenda and Lachman 2001; Rickwood and White 2009). Groups were formed on the basis of age, as homogenous groups are often more productive because participants are talkative and more likely to discuss shared experiences (Morgan 1997; Stewart and Shamdasani 1990). Three focus groups were

organized: the first for 20-35 year-olds, the second for 36-54 year-olds, and the third for those aged 55 years and above.

Snowball sampling was used to recruit group members. Email invitations were sent to the researchers' networks. Recipients of the email were asked to on-send the invites to their networks. This process continued until a total of 17 respondents was recruited, comprising the three groups.

## FOCUS GROUP MEETINGS

Each focus group lasted approximately an hour, and was audio-recorded. Discussion was promoted around a series of discussion topics (Morgan 1997). Participants were first asked to provide written answers to three introductory questions. The first question was: if you were choosing a KiwiSaver investment fund tonight, which would you choose? Participants were presented with five options: Conservative, Conservative/Moderate, Balanced, Growth and Aggressive. Each fund option included a break-down of asset allocations such as shares, property and cash. The second asked participants to think about the factors that may have influenced their choice of fund. The third asked participants to rank the top three factors influencing their choice of pension fund. Much group discussion followed each question. At the conclusion of the focus group meetings the audio recordings were transcribed. A thematic analysis procedure was used to search for and identify common themes in the transcript (Bryman and Bell 2007; Gomm 2004).

## CODING PROCEDURE

The data coding procedure drew on Ritchie and Spencer's (1994) five-step 'framework analysis' approach: familiarization; identifying a thematic framework; indexing; charting; mapping and interpretation. The focus group transcripts were read and re-read several times to raise familiarity with the text and to identify the broad tone of ideas discussed by participants (Creswell 2003). The process followed was open coding involving "breaking down, examining, comparing, conceptualizing and categorizing data" (Strauss and Corbin 1990). A total of 21 descriptive codes emerged from the data analysis process, and each descriptor was refined until it captured all the comments grouped under its category.

## MEASURING FREQUENCY AND STRENGTH OF OPINION

Qualitative sampling does not generate a statistically representative set of responses or participants, thus expressing results in terms of frequencies can be misleading (Pope, Ziebland and Mays 2000). However, qualitative researchers will sometimes quantify aspects of their data (Bryman and Bell 2007; Miles and Huberman 1984; Silverman 2006) to help understand the phenomenon under study. As Bryman and Bell (2007) point out, qualitative researchers often engage in quasi-quantification through the use of terms like 'many' or 'some'; by quantifying the number of responses under a category the researcher is "injecting greater precision into such estimates of frequency" (2007, 635). A common approach in business and management research where interviews or focus groups have been used is to log the number of responses that fall under a particular theme or sub-theme in the coding process. Miles and Huberman (1984) recommend that after comments in the interview transcript have been categorized by theme; a contact summary sheet is generated showing the number of comments under each theme category. The prevalence of comments can be determined in a number of ways (Braun and Clark 2006; Silverman 1984; Rabiee 2004). One method is to count the number of speakers who articulated the theme or sub-theme (often called 'extensiveness'), or to count the number of individual occurrences of the comment (frequency). In quantifying their narrative analysis some researchers take the process one step further and apply weightings to participants' comments, reflecting the reality that some comments are more thoughtful or profound than others (Breen 2006; Rabiee 2004). In this study the prevalence of opinions expressed under each code was measured (frequency) and weightings were applied to comments that reflected the strength of opinion being expressed. This quantitative assessment of codes contributed to the importance of themes in the final model.

## TRIANGULATION OF DATA SOURCES

Patton (2002) refers to examining the consistency of information from different data sources as triangulation of sources. On completion of the fieldwork, the researchers had three data sources available, allowing for a degree of triangulation. The first source was the transcripts of the focus groups. The second source was participants' written answers to the introductory questions. The third source was

data from a short questionnaire completed by focus group participants: details regarding participants' actual KiwiSaver scheme, their method of joining the scheme (active choice or default) and their current fund choice.

## FINDINGS AND DISCUSSION

Nine themes are identified in the data, five of which appear the strongest influences on consumers' pension fund choice – attitude to financial risk; perceived time until retirement; advice from family, friends and colleagues; information from providers and the news media; and knowledge of investing (see Figure 2). Three influences appear to be of lesser importance – involvement in financial products, ethical concerns and participants' other assets. Overriding all these factors is the influence of the default investment scheme offered by pension providers.

## ATTITUDE TO RISK

Attitude to financial risk is likely the dominant factor influencing consumers' pension fund choice decisions. Risk was uppermost in the minds of the focus group participants, in relation to both their pension fund decision and their financial planning in general. Participants were evenly split on the topic with half having a negative attitude and half a positive attitude to financial risk. Negative attitudes to financial risk were voiced in all three groups. The younger consumers who were risk averse said it was because they were not well enough informed, not sufficiently experienced or just "not having a head for finance". For those in the 36-54 and 55+ groups and uncomfortable with risk it was the fear of potential losses that put them off.

I don't have much time to go so I don't want to lose anything. I want to be on the safe side. It's not necessarily going to make me a lot of money, I know, but avoids the possibility of losing. (55+)

Positive attitudes to financial risk were more prevalent in both the 20-35 and 55+ age groups than they were in the 36-54 age bracket. Participants who welcomed risk saw it as a route to faster funds growth.

I'm a bit surprised so many people are choosing conservative and not risking more because they have got a lot of years to get there. At a younger age you're able to risk a lot more and recover. Whereas going to conservative is something I'll choose at some stage. You don't want to risk it all. But it's kind of counter-intuitive. A lot of people don't understand how it works. (55+)

## PERCEIVED TIME TO RETIREMENT

Consumers regard their age and life stage as important factors when they weigh up their fund choice options. Many consumers talk about financial planning for retirement in terms of their current life stage. Consumers consider the perceived proximity of their retirement – how close or how distant their retirement seemed to them. Not surprisingly, the youngest focus group, the 20-35-year-olds, saw retirement as well over the horizon.

I've got 40 years to retirement which is a long time and I back myself to end up better off then following a growth approach than taking a conservative outlook. (20-35)

Just one participant from the 36-54 year old group and one in the 55+ group believed they still had a long time to save and invest for retirement, and both had again chosen a growth fund. Interesting views were expressed in broader comments on the relationship between age and fund choice. Some

*Figure 2: Factors Influencing KiwiSaver Fund Choice*
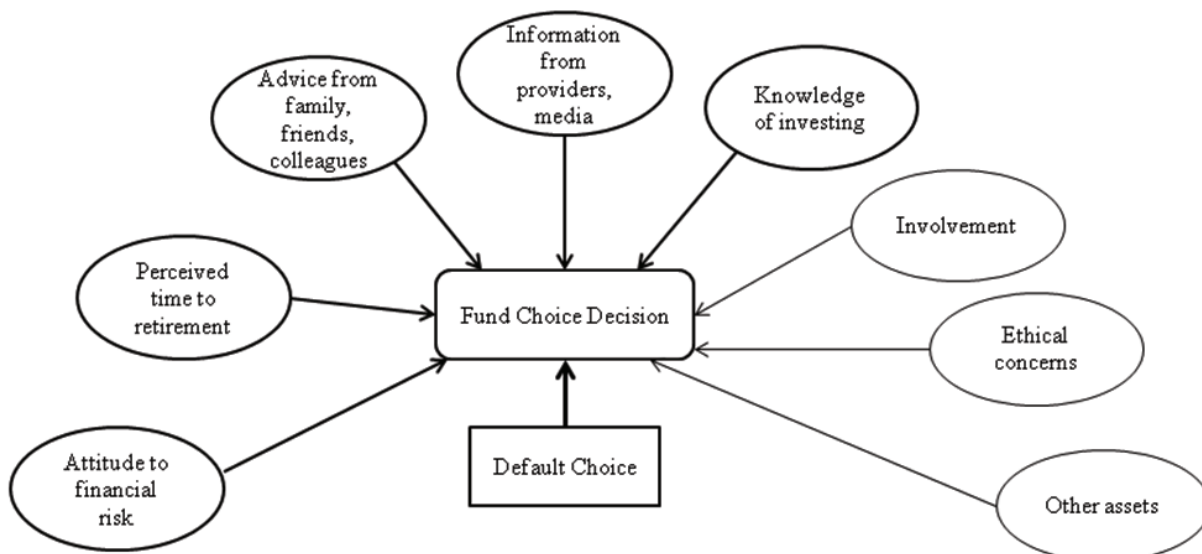
articulated the received wisdom, such as: "I'm a bit surprised so many people are choosing conservative … at a younger age you're able to risk a lot more and recover". Another participant said, the younger you were "the more time you had for a volatile investment to go up and down but grow more strongly".

## WORD-OF-MOUTH ADVICE

Advice from family, friends and colleagues is a strong influencing factor. Participants talked about listening to the advice of family members, or learning from their friends, or just talking things over with friends and work colleagues who were in a similar situation to them. In all cases participants found the advice helped in their decision process.

You got to get advice from the people you trust. What they recommend for you is not necessarily what you may decide may be the best scheme for you. But you trust that they will be able to explain things for you, and interpret things in a way that you can understand. (20-35)

## INFORMATION SOURCES

Many participants felt that their choice of investment fund was influenced by information and recommendations coming from their employer, the media, the Government and providers. Many participants had a negative view of pension providers' ability to supply them with timely and useful information. Some felt they had been poorly informed when they joined the scheme, but the most common criticism was their dissatisfaction with the ongoing information and fund performance reporting they were getting from their provider. Among the criticisms from participants was that their provider had not clarified where their funds were invested; or the information they were getting was too confusing or lacked detail; or the communications were infrequent or required too much effort on the part of the client.

The information isn't good enough. When I get the information it doesn't mean a whole lot to me. Because this is a retail scheme things need to be simplified and explained to people. (20-35)

The role of the media as an information source was acknowledged. Views expressed on the media were strongly positive with most regarding the media as an important or helpful source of information. There was little discussion on how well employers were doing in terms of providing information. Two participants felt disappointed by the information their employer was able to provide, one saying he was just

"referred to the IRD website", and another saying the material from her employer was insufficient and too general.

## KNOWLEDGE OF INVESTING

Previous experience with investing – or the lack of previous experience – has a bearing on the KiwiSaver fund choice. Participants in the 55+ age bracket were the most talkative on the subject. Some younger consumers who had experience of investing felt that the volatility of the financial markets in recent years – coupled with the widespread failure of finance companies in New Zealand – would have made some scheme members wary of investing in shares. Younger participants talked about their "poor understanding of the financial markets", about not having a head for finance, and being "just not informed enough to take risks".

I have a poor understanding of the financial markets and how they work, but I'm aware of the volatility and that puts me off. I haven't received much professional advice and I don't have much past experience with investing. (20-35)

## INVOLVEMENT

Some participants were not engaged with the fund choice decision, saying they were indifferent about where their savings were invested, or they were prepared to accept their employer's default scheme and fund. A younger (20-35) participant, who had joined for the "free money" in the Government's kick-start, said he would not be concerned about the fund until he started to see losses. Two other participants who had gone with their employer's default had either not got around to choosing a fund or were just not interested in doing the research. Several comments captured the idea that the most important or obvious choice was to be in the scheme because "it was such a good deal", it was "a no brainer" or it was easy to switch funds later but "the main thing was to be in the scheme". These sentiments were all expressed by older (55+) participants.

## ETHICAL CONCERNS

Several participants in the 36-54 age bracket focus group felt their ethical concerns would influence their choice of KiwiSaver fund. One said the ethical side of investing was important and "people had to take it more into account these days". Another said she had actively looked for a provider offering an ethical fund but none had met her standards:

I didn't want to be investing in tobacco or armaments companies. But I've found it very difficult to find a provider that excluded companies that I didn't want to invest in. I'm with Gareth Morgan and I see that I've got shares in Pepsi Cola and McDonalds which I would rather not. But there isn't a provider that excludes takeaway and soft drink companies. If there was I would choose that provider. In my view soft drink companies aren't ethical. (36-54)

## OTHER ASSETS (PROPERTY, SHARES)
Participants who had other assets such as property or shares said they had taken these other investments into account when choosing their KiwiSaver fund.

## EMPLOYER DEFAULT SETTINGS
The strong influence of KiwiSaver's default settings is evidenced by the fact nine of the 17 participants opted to go with their employer's default KiwiSaver provider. These nine participants were distributed across the three focus groups. As one 55+ participant put it: "I just placed my confidence in my employer – that someone had made a considered decision to go with Tower. I'm not into reading balance sheets."

## IMPLICATIONS
The research findings suggest a number of practical implications for policy makers and pension fund providers. First, the government could require pension fund providers to offer multiple default funds based on a life stage investment approach (Rajkumar and Dorfman 2010). Where new recruits decline to make an active choice of KiwiSaver fund, they could be drafted into an age-appropriate default fund with an appropriate asset mix to match their risk profile. Second, the government could require default providers in future to offer a comprehensive education and advice service to their KiwiSaver clients, perhaps in partnership with employers. Thus, pension fund providers would shoulder some of the responsibility for consumers making wise decisions on retirement investment. Third, coordination could be improved between those government agencies that have an interest in financial literacy. Fourth, pension scheme providers should report their fund performance information in plain English to consumers through a centrally-run and unbiased website.

## LIMITATIONS AND FUTURE RESEARCH
This study offers insights into the influences on consumer choice of pension fund. The fieldwork based on focus groups is exploratory in nature, and the general limitations of using focus groups apply. In particular, while the age groups and gender split among participants was a reasonable reflection of New Zealand's working population, the fact that participants all had tertiary qualifications limits the scope for generalizations.

The findings that emerged from the study are consistent with past research. The influencing factors found in this study could be tested using several alternative methods in the future: in a further round of focus groups that involve more diverse consumers; in a series of one-to-one interviews with KiwiSaver members exploring their motivations in greater depth; or in a wider quantitative survey using a deductive strategy to test the impact of influencing factors on fund choices. Financial literacy levels are clearly a major issue; further research is required into how well consumers understand their pension schemes (Toder and Khitatrakun 2006). Among other issues ripe for study are the impact of ethnicity, gender, education levels and income levels on the fund choice decision; the determinants of risk attitude towards investment decision making; and the communication styles used by pension scheme providers, in terms of presenting their fund options and reporting their performance. Research on these and similar themes will give pension fund providers and policy makers valuable insights into improving pension schemes for the benefit of consumers.

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# Attenuating Sadness' Effect on Consumption: Helplessness, Choice, and Self-Awareness

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## ABSTRACT

Sadness' appraisal themes of loss and helplessness evoke an implicit goal of reward replacement. This leads sad (vs. neutral/ happy) individuals to over-consume a hedonic food product. We find that presenting a choice attenuates sadness' influence on consumption. Moderating effect of choice relevance (for self vs. others) and self-awareness are also tested.

## EXTENDED ABSTRACT

From a layman's perspective, behavior and consumption seem related with the affective state that a person is experiencing. Indeed, research on incidental emotion – emotion consumers imbue from their environment in isolation to the task at hand – has discovered the pervasive tendency of emotions to carry over from one situation to another, coloring behavior in unrelated tasks (for reviews, see Forgas 1995; Isen 1993; Keltner and Lerner 2010; Loewenstein and Lerner 2003; Schwarz 2000). In the domain of consumption, incidental affect has been shown to influence in-store shopping (Woodruffe 1997), in-home food choice (Wansink, Cheney, and Chan 2003), as well as the amount of food consumed (Garg, Wansink, and Inman 2007). With the increasing concern with overeating and obesity worldwide, understanding why incidental affect influences food intake and how it can be moderated is an important topic. The implications are of interest to public policy and health professionals as well as to consumers who are interested in controlling their food intake.

One of the most extensively studied emotions has been sadness, and understandably, as it is one of the most commonly occurring ones. In keeping with emotion research in general though, most of the research aimed at understanding the relationship between sadness and its association with *consumption behaviors* has adopted a valence-based approach. However, recent research suggests that as compared to other emotions, both negative and positive, sadness has unique influences (Garg et al. 2007; Lerner, Small, and Loewenstein 2004). Unlike most negative emotions (e.g., disgust), sadness actually triggers positive valuation of new products, as measured by willingness to pay (Lerner et al. 2004) as well as

increased hedonic food consumption (Garg et al. 2007).

Sadness has been associated with the core themes of loss and helplessness (Keltner, Locke, and Audrain 1993; Lazarus 1991). Moreover, sadness' unique appraisals have been found to evoke implicit goals of changing one's circumstances (Lerner et al. 2004) and reward acquisition or substitution (Raghunathan and Pham 1999). Behavioral patterns consistent with compensatory consumption goals and action tendencies have been demonstrated across different domains. Mick and DeMoss (1990) have noted that depressed or sad individuals often execute learned behaviors such as consuming comforting drinks and foods (hot tea and ice cream, for example). In addition, sad individuals pay more to obtain a new object (e.g., a water bottle) than do those in a neutral state (Lerner et al. 2004). And when given a choice between money and a new object, sad individuals choose the new object more often than neutral individuals do, a phenomenon that has been called the "misery is not miserly" effect (Cryder et al. 2008). In food consumption domain, sadness, relative to happiness, led to increased consumption of hedonic food products, such as buttered popcorn and M&M candies (Garg et al. 2007). Tice, Bratslavsky, and Baumeister (2001) also found that distressed people increased their consumption of unhealthful, fatty snack foods to regulate their mood state.

In the present research, we seek to understand the underlying process behind the sadness-consumption link and theoretical moderators that could attenuate the compensatory behavior tendencies associated with sadness. Specifically, we examine whether sadness' effect on consumption is driven by the theme of helplessness associated with sadness and, if so, whether this effect can be attenuated by giving subjects a choice. We hypothesize that given the underlying themes of loss and helplessness associated with sadness (Frijda, Kuipers, & ter Schure, 1989; Keltner & Lerner, 2010; Lazarus, 1991) as well as its pattern of compensatory consumption, sadness' effect on consumption can be attenuated by increasing decision makers' sense of individual control and decreasing their sense of helplessness. We focus on helplessness because it connects to

the issue of control, which has proven important in guiding emotion effects, based on past investigations using the appraisal tendency framework (Garg et al. 2005; Lerner & Keltner 2000), and because it is part of sadness' core relational theme (Lazarus 1991). In the process, we also, replicate and extend the existing research in the sadness-consumption domain. Specifically, we conduct a series of four studies to examine whether offering a choice of a product can attenuate sadness' influence on the amount of hedonic food consumed (Study 1) and whether the focus of decision making (for self or for others) (Study 2) and the object of choice (chocolate vs. coffee mug) (Study 3), matter in the consumption context. Further, we explore the role of self-awareness in the sadness-consumption relationship (Study 4).

**Study 1** examines whether explicit choice of a hedonic versus a non-hedonic good (luxury chocolate bar vs. ballpoint pen)[1] attenuates sadness' effect on hedonic food consumption (M&Ms). We expect that a choice will be more powerful than simple endowment because it will afford some semblance of control to individuals and therefore alleviate the helplessness associated with sadness. To test this hypothesis, we compare participants endowed with a hedonic gift to those who are specifically asked to choose between a hedonic gift and a non-hedonic one. A 2 (emotion: sad, happy) x 2 (choice of a gift, no-choice) between-subjects design was implemented to test the hypotheses of the study. Results find that only when sad individuals are afforded an opportunity to make a choice, does it succeed in overriding sadness' effect on consumption. Also as predicted, happy individuals do not vary in their consumption of M&Ms across choice versus no-choice conditions.

**Study 2** not only wanted to validate our findings from Study 1 by replicating the results but more importantly, it wanted to clarify whether the locus of choice - for self or others – influenced its efficacy in attenuating sadness' effect on consumption of M&Ms. Study 2 used a 2 (emotion: sad, happy) x 3 (choice for self, choice for others, no-choice) between-subjects design. Overall, the results of this study not only replicate Study 1's results and the effect of choice on sadness-consumption relationship, but also support our hypothesis that sad individuals do not discriminate in choice (self vs. others). As long as a choice is offered, the effect of sadness on consequent consumption is attenuated. This study

further sheds light on the underlying appraisal themes of helplessness and loss of control that drive sadness' effect and establishes that gaining some semblance of control lessens felt helplessness and this in turn, severs the link between sadness and consumption.

**Study 3** examines whether the object of choice matters in attenuating sadness' effect on hedonic food consumption. Specifically, it can be argued that choice of a gift (chocolate bar in Studies 1 and 2) attenuated consumption of M&Ms because by consciously making the choice of a chocolate bar, participants fulfilled their goal of chocolate consumption and hence, felt no need for further consumption in the form of M&Ms. Study 3 used a 2 (emotion: sad, happy) x 3 (choice for self, no-choice) between-subjects design to examine this question where the choice of gift was between a coffee mug and a ballpoint pen. This study helps us to rule out any product based confounds in the observed effect and expand the generalizability of choice as a moderator of sadness' effect on consumption.

The final study focuses on whether self-awareness moderates sadness' effect. Prior research has found that although sadness increases self-focus which in turn, increases individuals' willingness to pay more to acquire a new object, this effect is largely non-conscious and participants do not actually realize that their willingness to pay has shifted (Cryder et al. 2008). Existing research in the self-awareness literature shows that when participants are put in a situation where they cannot escape self-awareness (high self-awareness condition – participants seated in front of mirrors), their consumption of fatty food products is reduced (Sentyrz and Bushman 1998). Thus, Study 4 examines whether salient self-awareness is also successful in attenuating the implicit tendency of sad individuals to over-consume a hedonic food product. A 3 (emotion: sad, happy, neutral) x 2 (self-awareness: low, high) between-subjects design is utilized in the study.

Overall, the current research aims to provide critical insight into the theoretical moderators and mediators underlying the sadness-consumption relationship. This will have important implications for the strategies employed to attenuate sadness' effect and for improving our understanding of sadness

1 These particular alternatives control for choice per se because almost all participants were expected to prefer the luxury chocolate bar to the alternative, the inexpensive pen. This procedure is similar to that used by Higgins et al. (2003), who controlled for choice by offering participants a choice between

because of the negative consequences of unbidden consumption.

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# Changing Implicit Attitudes: Affective versus Cognitive Modes

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## ABSTRACT

The aims of the present paper are to examine the differential impact of affective versus cognitive modes in: (1) the formation and (2) the alteration of implicit attitudes. These aims are pursued by using affective and cognitive modes; we show that an implicit attitude can be created or altered. However, we demonstrate that while affective modes have a stronger impact on implicit attitude formation, cognitive modes have a stronger impact on implicit attitude alteration.

## INTRODUCTION

People can have dual-attitudes towards the same object: an explicit attitude that operates at a conscious level and an implicit attitude that operates at an unconscious level (Greenwald et al., 1995; Wilson et al., 2000; Fazio and Olson, 2003). Contemporary models of persuasion such as the Elaboration Likelihood Model (ELM, Petty and Cacioppo, 1986) or the Heuristic Systematic Model (HSM, Chaiken et al., 1989) have been very successful in explaining and integrating the different causes of explicit attitude change (Kruglanski and Thompson, 1999; Petty and Wegener, 1999). However, only a limited amount of research has focused on the causes of implicit attitude change, which remain largely unexplained and disintegrated. Evaluative conditioning, for instance, has been extensively used as a mean to change implicit attitudes (Kawakami et al., 2000; Rudman et al., 2001; Hermans et al., 2002; Mitchell et al., 2003). An exhaustive examination reveals that both, affective modes (for example, Baccus et al., 2004; Strick et al., 2008), as well as cognitive modes (for example, Rydell and McConnell, 2006; Strick et al., 2009) have proved to be successful in changing implicit attitudes. However, which mode (affective or cognitive) is more effective in changing implicit attitudes and under what conditions are yet to be determined.

In this research, across two studies, we compare the impact of affective versus cognitive modes on implicit attitude change. In study 1, we use an evaluative conditioning procedure to understand the relative impact of affective versus cognitive modes on the *formation* of implicit attitudes. In study 2, we research the relative impact of affective and cognitive modes on altering ***previously held*** implicit attitudes.

Last, we examine future research directions for our investigation.

## AFFECTIVE VERSUS COGNITIVE MODES IN CREATING AND ALTERING IMPLICIT ATTITUDES

Implicit attitudes have been best characterized as automatic affective reactions (Gawronski and Bodenhausen, 2006). Moreover, implicit attitudes have been conceived to have a strong affective component (Rudman, 2004). If implicit attitudes have a strong affective component, affective modes should be more effective in creating implicit attitudes than cognitive ones. Evidence within the implicit attitude area supports this proposition. Rudman et al. (2001), for instance, found that White volunteers who participated in a diversity education course showed a reduction in both implicit and explicit anti-Black attitudes at the end of the course. A further examination of the results revealed that the reductions in implicit attitudes were associated with affective-based predictors, such as reduced fear of Blacks. By contrast, the reductions in explicit attitudes were associated with cognitive-based predictors, such as a desire to overcome prejudice. Thus, we believe that affective modes will be more effective in creating an implicit attitude than cognitive ones:

**H$_1$**: The likelihood of creating new implicit attitudes is greater when using affective modes than using cognitive modes.

The previous hypothesis relates to situations in which novel implicit attitudes are been created. But what could be proposed for those situations in which previously held implicit attitudes want to be altered. According to the multicomponent theory of attitudes, affective-based attitudes tend to have a more unidimensional structure organized along a global evaluative dimension that allows specific attributes to be readily assimilated or discounted while cognitive-based attitudes tend to have a more multidimensional structure based on specific attributes (Zajonc, 1980; Edwards, 1990). Surprisingly, there is a high resemblance between the structure of cognitive-based attitudes and how the structure of implicit attitudes

is currently conceived to be. Implicit attitudes are considered to be represented in a multifaceted manner (Smith, 1996). This multifaceted manner is organised in different subsets of associations that can be activated upon the presence of particular context cues (Gawronski and Bodenhausen, 2006). Thus, if a previously held implicit attitude was to be altered, the specific attribute on which the implicit attitude is based has to be targeted. As the probability of targeting the specific attribute on which an implicit attitude is based is lower for affective modes than for cognitive ones (Zajonc, 1980; Edwards, 1990; Drolet and Aeker, 2002), we propose that cognitive modes will be more effective in altering an implicit attitude than affective ones:

**H$_2$:** The likelihood of altering previously held implicit attitudes is greater when using cognitive modes than using affective modes.

**Study 1:** Hypothesis 1 was tested in a laboratory experiment. Participants were asked to go through: (1) an evaluative conditioning procedure, (2) an Implicit Association Test (IAT; Greenwald et al., 1998; Greenwald et al., 2003) and (3) a self-reported questionnaire.Thirty-three undergraduate students (23 women and 10 men, ages between 19 and 29, $M = 21.47$) were randomly assigned to one of two experimental conditions: a cognitive stimuli and affective stimuli. In the cognitive stimuli condition, participants were presented with repeatedly pairings of four fruit images with happy words and four vegetable images with angry words. In the affective stimuli condition, participants were presented with repeatedly pairings of the same fruit images with happy faces and the same vegetable images with angry faces. This evaluative conditioning procedure was designed to create associations between fruits and happy words/images, and vegetables and angry words/images.

Following this, all participants completed an IAT, in which they were asked to categorize correctly stimuli shown on the middle of their screens. Stimuli were selected from one of the following four categories for the categorization tasks: (1) the same fruits images previously seen in the evaluative conditioning phase, (2) the same vegetables images previously seen in the evaluative conditioning phase, (3) positive words and (4) negative words. The category labels "Fruits/Positive Words" versus "Vegetables/Negative Words" were denominated the compatible category because these labels were congruent with the previous evaluative conditioning

procedure in which fruits were paired with happy words/faces images and vegetables were paired with angry words/faces images. By contrast, the category labels "Fruits/Negative Words" versus "Vegetables/Positive Words" were denominated the incompatible category because the labels were incongruent with the previous pairings in the conditioning procedure. Finally, participants were asked in a series of items their reactions towards happy/angry related words (cognitive stimuli) and happy/angry people images (affective stimuli).

## RESULTS

A two-way ANOVA found a significant compatible condition x nature of the stimuli interaction. In the compatible category, participants were able to categorize images of fruits (vegetables) and positive words (negative words) significantly faster when they had been previously exposed to repeated pairings of fruit images with happy faces images (affective stimuli; $M = 768.09$ milliseconds) than when they had been previously exposed to repeatedly pairings of fruit images with happy words (cognitive stimuli; $M = 830.94$ milliseconds; $F(1, 32) = 24.54, p < .0001$). Further, in the incompatible category, participants were able to categorize images of fruits (vegetables) and negative words (positive words) significantly slower when they had been previously exposed to repeated pairings of fruit images with happy faces images (affective stimuli; $M = 1087.06$ milliseconds) than when they had been previously exposed to repeatedly pairings of fruit images with happy words (cognitive stimuli; $M = 982.90$ milliseconds; $F(1, 32) = 8.93, p < .005$). Thus, H$_1$ is supported.

**Study 2:** Hypothesis 2 was also tested in a laboratory experiment. Since the purpose of this study was to alter a previously held attitude, we conducted a pre-test to understand the association between healthy/unhealthy foods and enjoyment. Two pre-tests which we conducted revealed that healthy foods were considered to be more enjoyable than unhealthy foods. Hence, we assumed that the previously held implicit attitude is healthy-enjoyable and unhealthy-not enjoyable. The design of study 2 was similar to study 1 with the exception that in the cognitive stimuli condition, participants were presented with repeatedly pairings of four unhealthy food images with enjoyable words and four healthy food images with not enjoyable words. In the affective stimuli condition, participants were presented with repeatedly pairings of the same unhealthy food images with

images of people enjoying their food, and the same healthy food images with images of people not enjoying their food.

## RESULTS

A two-way ANOVA found a significant compatible condition x nature of the stimuli interaction. In the compatible category, participants were able to categorize images of unhealthy foods (healthy foods) and not enjoyable words (enjoyable words) significantly slower when they had been previously exposed to repeated pairings of unhealthy foods images with enjoyable words (cognitive stimuli; $M = 966.91$ milliseconds) than when they had been previously exposed to repeatedly pairings of unhealthy foods images with images of people enjoying their food (affective stimuli; $M = 780.06$ milliseconds; $F (1, 32) = 42.11, p < .0001$).

Further, in the incompatible category, participants were able to categorize images of unhealthy foods (healthy foods) and enjoyable words (not enjoyable words) significantly faster when they had been previously exposed to repeated pairings of unhealthy foods images with enjoyable words (cognitive stimuli; $M = 1157.14$ milliseconds) than when they had been previously exposed to repeatedly pairings of unhealthy foods images with images of people not enjoying their food (affective stimuli; $M = 1425.55$ milliseconds; $F (1, 32) = 86.89, p < .0001$). Thus, $H_2$ is supported.

## CONCLUSION

The results from study 1 demonstrate that implicit attitudes are more easily created by using affective modes. The results from study 2, by contrast, show that implicit attitudes are more easily altered by using cognitive modes. As we believe that the results of this study have important implications in automatic consumer decision making and design of marketing messages, we are in the process of conducting three additional studies to further explore these mechanisms.

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# Consuming the Aesthetic of the Everyday: A Visual Analysis
# of Errol Morris' "High Life".

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Co-constructed meaning between marketer and consumer is a key dimension of convergent (Jenkins 2006) media. Using "Miller's High Life" ads (1999-2005) we discuss how content convergence prompts different co-constructed meanings among consumer segments, how "mundane art" is produced and how the marketer/consumer relationship is transformed into a filmmaker/viewer-consumer one. From an interdisciplinary perspective, we discuss the implications of this transformed relationship for marketing.

## EXTENDED ABSTRACT

Advancing on Schroeder's (2006) view of marketing and consumption "as basic cultural institutions, rather than purely managerial initiatives" (p.7), this paper contributes to visual consumption and advertising literature. In this paper, we pose the core question of what marketing is, *or has the potential to be*, in the face of changing media trends. Using Errol Morris' "Miller's High Life" ads (1999-2005), we investigate co-constructed meaning between marketer/consumer as an effect of digital media and convergence (Jenkins 2006). In our example, content convergence prompts different co-constructed meanings among disparate consumer segments and the marketer/consumer relationship is transformed into a filmmaker/viewer-consumer one. We suggest that this transformed relationship is central to the emergence of digital media and the upswing of converged content, requiring us to re-evaluate the role of marketing in the cultural and media sphere. Morris' work signifies a vital moment for marketing as it moves towards cinematic form and use of micro-narrative to represent and reflect daily life and thus transforming into media content in its own right. In doing so, a new advertising aesthetic is forged and marketing transformed from information/promotion to participation in the production, narration and reflection of cultural values, rituals and aesthetics.

This paper contains two aims that underpin both the analysis and discussion. The first aim is to show how convergent content (Jenkins 2006) can engage seemingly disparate consumers in the co-construction of meaning. Morris' Miller High Life advertisements demonstrate how convergent content disseminated across both digital and traditional channels engages traditionally fragmented consumers or audiences and invites a plurality of interpretations/ meanings. The second aim is to show how Morris develops a new form of 'mundane art'/advertising out of cinematic techniques that moves across media channels and engages diverse audiences.

In this paper, we expand on a visual analysis approach (Schroeder 2002; Schroeder and Borgerson 1998) to analyse Morris' Miller High Life ads. The analysis focuses firstly on the visual elements of the advertisements. We then extend our analysis to interrogate the sound and cinematic conventions used in the ads. We then move to a discussion of their function as cultural products, co-constructed stories and aesthetic representations of the mundane *vie quotidien*. In this discussion, we draw from interdisciplinary perspectives such as film theory, media theory and marketing to show how documentary-maker Morris' ads transform the traditional producer/ intermediary/consumer relationship into a filmmaker/ consumer-viewer relationship where the interpretive power of the viewer is as important as the filmmaker. This shift constitutes a significant change in the marketer/experience/consumer relationship revealing the consumer-viewer as aesthetically engaged and the marketing product as culturally/aesthetically informed.

The implications of Morris's work are considered as these Miller narratives, that move across traditional and digital channels, facilitate diverse consumer responses and connect the brand with a seemingly disparate demographic – both the traditional Miller drinker and a new generation of digital savvy cynics. Morris' multi-layered content delivered via convergent channels enables Miller to engage existing and new segments. This is made possible through the content of the ads themselves (since these complex little vignettes offer a range of interpretations) and through the media mode used. In our discussion, we indicate that the traditional Miller drinker who saw the ads on TV (a traditional media channel) embraced the ads as a reflection of their own lives, rituals and values. On the other hand, younger, non-Miller drinking consumers saw the ads online (having heard about them via blogs) and drew a more

ironic, parodical interpretation. The capacity for the ads to have resonance with these different audiences can be attributed both to the content of the ads and the channel of delivery thus emphasising the need for marketing to generate complex, engaging content that transforms into cultural product. This study of Morris' campaign shows how contemporary media enables a level of audience engagement that has traditionally been reserved for cinematic or "formal" art forms. This medium opens the doors for practices such as advertising to evolve into meaningful cultural products with which various audiences can engage and participate in the co-construction process. In eroding or challenging the classical division between art and everyday life, Morris' work gives rise to a new aesthetic, the aesthetic of the everyday, that is made meaningful by the consumers who inhabit its meaning.

As part of this co-constructive experience, Morris' work also demonstrates the divergent audiences and interpretations to which convergence gives rise. These ads have resonated with the traditional Miller drinker and a generation of media consumers who appreciate the ironic and irreverent. This appeal to such divergent demographics confounds traditional marketing logic and reveals the willingness of diverse consumers to engage in a consumer-viewer/filmmaker relationship where meanings can be constructed and challenged. The traditional producer/intermediary/consumer relationship into a filmmaker/consumer-viewer relationship constitutes a shift in the marketer/experience/consumer relationship, revealing the consumer-viewer as engaged in diverse interpretive acts.

Finally, we also conclude that, given the contemporary media landscape, marketing has the potential to be a major source of cultural production. As convergence content demands more sophisticated material, marketing must transform into art-based cultural production, a form of media that contributes to cultural discourse. This re-envisaging of what marketing does, what it means in culture and what contribution it must make for future survival in a media-driven world will be central to the future purpose and practice of marketing.

## INTRODUCTION

In response to changing consumer expectations, the dissolution of an uncritical "consumer culture" and the advent of digital media, marketing practice has re-evaluated how to use media channels and content.

As consumer attention moves from billboards to Facebook and radio to YouTube, the rise of the visual medium signified by "the screen" has significantly impacted on marketing (Zwick and Dholakia 2006). The evolution of the visual has also had the effect of forcing marketing to consider the sophistication and quality of its content. By way of advancing on existing discussion on marketing in the contemporary media-oriented cultural context (Sherry et. al. 2001), this paper poses the core question of what marketing as cultural producer is, *or has the potential to be*, in the face of shifting media trends prompted by digital technology (Meamber and Venkatesh 1999). Specifically, we focus on convergence (a term coined by Jenkins (2006) to refer to complex media content disseminated across a range of channels) in advertising and the effect that convergence has on advertising content as cultural product (Lash and Urry 1994; Venkatesh and Meamber 2006).

The aim of this paper is twofold. Firstly, the aim is to show how convergent content can engage seemingly disparate consumers in the co-construction of meaning. We use the examples of Errol Morris' Miller High Life advertisements (1999-2005) to demonstrate how convergent content disseminated across channels engages seemingly fragmented consumer segments and invites a plurality of interpretations/meanings (Lemke 2009). The further aim is to excavate how Morris develops a new form of 'mundane art'/advertising out of cinematic techniques that carries across media channels and engages diverse audiences. Borrowing from the principles of visual analysis (Schroeder 2002; Schroeder and Borgerson 1998), we analyse Morris' Miller High Life ads, excavating their function as cultural products, co-constructed stories and aesthetic representations of the mundane *vie quotidien*. We argue that documentary-maker Morris' cinematically inspired ads transform (Goldstein, Johnston and Sharpe 2006) the traditional producer/intermediary/consumer relationship (Kozinets 2001; McCracken 1988, 1989; Solomon 2003) into a filmmaker/consumer-viewer relationship where the interpretive power of the viewer is as important as the filmmaker. This shift constitutes a significant change in the marketer/experience/consumer relationship revealing the consumer-viewer as aesthetically engaged (Burroughs and Mick 2004; Hirschman, 1980) and the marketing product as culturally/aesthetically informed. Advancing on Schroeder's (2006) view of marketing and consumption "as basic

cultural institutions, rather than purely managerial initiatives" (p.7), this paper contributes to current scholarship on visual consumption (Schroeder 2002; Scott 1990, 1993, 1994; Tharp and Scott 1990) and advertising aesthetics (Brown, and Patterson 2001; Joy and Sherry 2003; Schroeder 2006; Venkatesh and Meamber 2006).

The following paper commences with a conceptual background overview of the status of advertising in contemporary media and the relationship it makes possible between marketer and consumer. The significance of Morris' work is also considered in this section. We then outline the visual analysis method to be used followed by a detailed analysis of two Morris Miller's ads. Finally, we move to a discussion of the impact of Morris' work and how it has attracted diverse audiences as a result of its complexity followed by a brief conclusion.

## CONCEPTUAL BACKGROUND

Recent marketing scholarship has emphasised cultural production as "grounded in the notions of symbolic meaning generation and consumption of aesthetics in everyday life" (Venkatesh and Meamber 2006; 21). This view departs from classical conceptualisations of art, aesthetics and cultural production as separate from (and superior to) daily life (Barilli 1993/1989; Dewey 1934; Smigzin 2006) or "distinguished from the material aspects of life and privileged because of its importance in human development and metaphysical discourse" (Venkatesh and Meamber 2006; 20). The re-connection between cultural production, aesthetics and the everyday (Lash and Urry 1994; Venkatesh and Meamber 2006; Stern et al. 2001) re-situates producer and consumer in a culturally embedded relationship of symbolic exchange, ritual sharing and meaning making (McCracken 1993; Nava and Nava 1992) and disavows the primacy of "high art" or the aesthetic as purely intellectual (Cassirer 1944). Equally, this re-evaluation of aesthetics invites a consideration of advertising as art, media content (Jenkins 2006), and cinematic "mirror", held up to the rituals, symbolisms and narratives inherent to seemingly mundane consumption experiences.

Advertising has been long identified as a source of cultural production because of its artistic (Brown 1996) or creative quality (Kotler 1991; Martin 1995). Its intrinsically visual nature (Schroeder 2002, 1997; Scott 1994) connects advertising with the epistemological and sensorial thrust of the late twentieth century that increasingly champions the visual as the primary mode of perceptual engagement (Schroeder and Borgerson 2002) particularly with the rise of the internet and its associated media. Morris' Miller Beer advertisements draw on this advertising as visual art form trajectory (Stern et. al. 2001), advancing further by consciously introducing cinematic tropes and micro-narrative into the content. The ads are intended as "mini-films" rich in representational and symbolic value. They employ Morris' signature cinematic tropes, blending cinema, art and advertising to create a series of postmodern vignettes that humorously pastiche, represent and reflect masculinity and lifestyle sensibilities (Holt and Thompson 2004; Schroeder and Zwick 2004). In doing so, the ads capture the nuance of daily life and evoke connection with consumers on the grounds of shared values, rituals and rhetorical symbolisms (Scott 1994) via the aesthetics of cinema.

Significantly, we also see a merging of media and marketing genres to create this novel content (Jenkins 2006). While the ads obviously promote Miller beer, their importance resides in their evocation of embedded social mores, transforming these ads into aesthetic depictions of ingrained social values through merged media/cinematic and marketing content. Morris' work signifies a turning point for marketing's media use (the ads appear on TV and web), moving towards cinematic form and use of micro-narrative to represent and reflect daily life and thus transforming into media content in its own right. In doing so, a new advertising aesthetic is forged and marketing transformed from information/promotion to participation in the production, narration and reflection of cultural values, rituals and aesthetics (Venkatesh and Meamber 2006).

## METHOD

In this paper, we analyse two Errol Morris' "Miller high life" beer advertisements. To do this we employ visual analysis (Schroeder 2002; Schroeder and Borgerson 1998), since this method allows us to trace possible meaning construction occurring in visual images (Schroeder and Zwick 2004; Stern and Schroeder 1994). Visual analysis has been used frequently to research advertising images and provides a way of excavating the symbolisms, meanings and rituals embedded in visual imagery.

Drawing from interdisciplinary influences such as film theory and media studies, we expand here on Schroeder's method to take in the other elements of the moving image such as its complex time-based,

intertextual and technological qualities (Conomos 1989), spatio-temporal structures, perceptual and affective dimensions (Deleuze 1989) and audio-visual relationships (Chion 2009). Our objective is to analyse the intrinsic details of Morris' work in order to identify the cinematic techniques and qualities contained in the ad before moving to a discussion of the kind of consumer response invited and the divergent interpretations these ads have generated. Therefore, the ensuing visual analysis is strongly influenced by film theory to mine the techniques and details of Morris' ad while the discussion then re-focuses on the impact of Morris' work on consumers.

## ANALYSIS

To understand the meaning construction in this series of 80 commercials, viewers should view them as inter-related miniature worlds or, as Morris describes them, "the haiku of the West" (in Grundman 2000; 11). Each advertisement has a title that corresponds with signs and references to masculinity (Holt and Thompson 2004; Schroeder and Zwick 2004). *Broken Window*, *Duct Tape*, *Faucet* and *Fridge* reflect on everyday objects and things. *Alternative Fuels* and *Drinking Responsibly* signal an ironic private commentary on social change. *Callus* and *Five o'clock shadow* focus on the anti-aesthetic of the working body. *Mother-in-Law*, *Gossip*, *Newly-wed* and *Grandma* refer obliquely to observations about the opposite sex. *Hotdog*, *Bacon*, *Devilled Egg*, *Donut* and *Deer Sausage* reflect the mid-west man's preoccupation with protein, home cooking and weight gain. Here we analyse *Hotdog* and *Gossip* to show how Morris has used commercials as a reflective site for the Miller man to voice his struggles and inner dialogue with contemporary issues about health, lifestyle, diet, obesity, relationships and society.

## HOTDOG

In *Hotdog*, cooking hotdogs becomes a space for a defiant interior monologue. We see a big close-up of a plate with a pair of hotdogs, framed from a cook's point of view, as he wrestles to fork one of the hotdogs and place it on a bun. Morris alternately shifts the consumer-viewer between the point-of-view of the cook (the subject) and eyewitness (the object) and intimate observer (empathic subject-object), through a series of close-ups. We see/share the characters experience through this alternation and fusion between subject and object. We view the hotdogs on a plate from our/the character's point of view.

We watch our character eat it. We are mesmerized by the sound of boiling water as we watch a pot of hotdogs on the boil. Synchronised with the 'realism' of this visual narrative, a voice declares "Who cares what's in a hot dog?" Eluding the techniques of expository documentary and commercials to explain what we are seeing, Morris borrows from the vocal style of the movie trailer genre to play/subvert 'voice-of-god' conventions (see Nichols 2001; 46-48). What he constructs is an intimate voice – a sardonic, internal voice – that appears through Morris' correlation between editing, framing and point-of-view – *to be connected to the character*. The voice says

When diverse cast aside elements come together to form something great. That's the American way. Nope, you do not ask of the hot dog. The hot dog asks of <u>you</u>! What are you <u>made</u> of? What spice do <u>you</u> add to the national knockwurst? What flavour do <u>you</u> contribute to the high life?

This domestic echo of Kennedy's patriotic call to the nation ironically subverts the invocation of the American dream and leaves the viewer with an appropriate anti-climax, watching innocuous hotdogs simmering in a saucepan.

Morris disrupts our expectations of the advertising genre by combining an intimate, 'mundane' visual narrative with the voice track in unexpected ways. The relationship between Morris' cinematic elements (image, sound, script and voice) create a new dimension in the construction of masculinity, that is – *we begin to hear the thoughts*
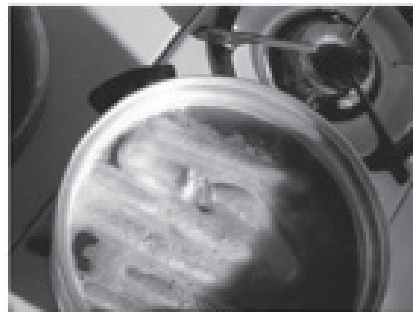
*and inner struggle that go on inside a man's head*. The voice acts as a sign of an interior monologue and provides access to the bizarre inner life – the voice in our head. However, the Miller man himself in *Hotdog* is visually fragmented. We only ever catch partial views of him. Fluctuating between anonymity and intimacy, Morris uses some of the stylistic techniques he developed while filming Robert S. McNamara in his documentary *Fog of War* (2003). That is, the use of the jump cut, tilt and angles that frames the human head in ways that break accepted television and cinematic conventions – and are 'deliberate editorial decisions' (Baker 2006; 18). Rebelling against the central and traditional framing of the human figure, inherited from postcards, painting, portraiture and landscape (Schroeder and Zwick 2004; 29-32) television and cinema, Morris reminds us that in documentary or advertising the subject is always framed. He introduced this technique into advertising from reflexive filmmaking – the process of intentionally breaking with continuity editing and processes – 'to challenge these techniques and conventions' (Nichols 2001; 126).

## GOSSIP

In *Gossip*, a Miller man watches from the sidelines in female encounters, listens, becomes mute or invisible in the face of his domestic relationships.
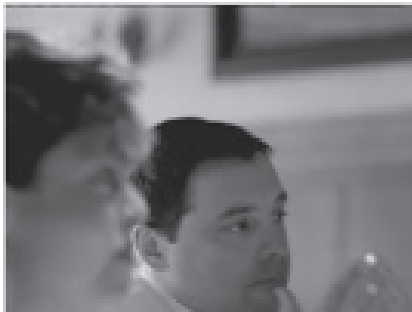


Female presence in the Miller world are usually marked by *things* – such as the food and beer that magically appear on a table, the swinging door between the kitchen and dining room, a crocheted tablecloth or low lighting. Sometimes a blurred female presence hands a man a beer or, as in *Newly-wed*, gaze bewildered at the alcohol section of a supermarket fridge. In *Gossip*, Morris plays with the dual meaning of *estranger* (the disruption of the bond of love, friendship or loyalty) and *ostranenie*, the experience of having the familiar made strange (Schlovsky 1965; Benjamin 1969). The soft blur and fuzzy presence of a group of women at lunch become strangely alien

as a voice-over narrates "Civilised society is based on some degree of restraint." Simultaneously, we see a glimpse of a well-dressed woman firmly clutch her fork and plunge it into a piece of food - perhaps this is Morris' homage to Artaud's theatre of cruelty. The voice shifts the consumer-viewer's point-of-view – the scene now only *appears* to be civilised. We see the women as if from the perspective of an alien, removed in space and time from its surrounds, a perspective constructed through the montage of low angle tilts, varied focal lengths and close-ups of talking women until, a man sits at a table and buries his face into his hands. This Miller man is here – under duress. We see the scene as if through his eyes – a disenfranchised man, cast adrift from his familiar working world. The chatter surrounding him is barely recognisable as the voice-over/alter-ego reveals his thoughts. "You might disagree with much of what the gal's have to say, but there are times when even the most miss-guided opinion is better left, underlined uncorrected. Don't you open your mouth unless its t'fill it up again with another sip of beer."

## DISCUSSION

Morris' advertisements signal the transition to convergence (Jenkins 2006) marketing, as distinct from transmedia narrative (Kinder 1991) in that convergent media reaches diverse audiences whereas transmedia engages the same audience across media platforms (Bernardo 2011; Dena 2004). The lines between media art form and marketing content blur and thus transform advertising into 'mundane art'. Morris' Miller narratives, which move across traditional and digital channels, facilitate diverse consumer responses and connect the brand with seemingly disparate demographics – both the traditional Miller drinker and a new generation of digital savvy cynics. Given that "changes in volume [of product sold] are driven primarily by increases in the size of the key demographic targets" (Beer Institute Annual Report 2001), Morris' multi-layered

content delivered via convergent channels placed Miller in the unique position of simultaneously moving across existing and new segments.

In 1998, when Weiden & Kennedy pitched their now famous "Miller High Life Man" campaign and commissioned Morris to direct, it was in an effort to save the brand after unsuccessfully attempting to re-position as a subpremium beer. Morris' work appeals to the hardworking, simple, traditional consumer identified by Miller's market research but perhaps more surprising is the alternative interpretation generated by a new generation of consumers. The ads themselves produce two disparate interpretations. The ads ran on TV during primetime sports programming, where, as one blogger notes, "If you've never seen them, you probably don't watch much football". The traditional TV medium and timeslot reached the kind of white, working man depicted in the ads and revitalised the brand among its core consumers. For this audience, the ads represent self-reflective snapshots of life, resonant for their accurate depiction of the values, struggles and dilemmas faced by the everyday "guy" and the aestheticisation/nostalgia of a former American way. It is precisely because of their "realness" that these ads became successful with the man of middle America. As one online commentator suggests:

The whole aesthetic of the campaign begs to be understood as a throwback to an earlier era of simplicity and trustworthiness — never more pronounced than in the completely politically incorrect reference to trading in pants for skirts. The homophobia and misogyny of the statement, it seems, is supposed to be offset by the elegiac tone harkening back to when such attitudes were apparently not only acceptable, but laudable (Alilunas 2009).

This nostalgic connection with traditional America, a glorification of the minutiae of everydayness and an expression of now politically incorrect ideas offers a comforting narrative for the target Miller consumer.

The ads were also broadcast digitally via a host of online forums, Youtube and Morris' own website. Complementing the national TV campaign, the digital dissemination of the ads captured a younger, more cynical audience who picked up the nuance and pastiche of Morris' work. Unlike the loyal Miller drinking audience who connected with the represented simplicity and patriotism as reflective of their lives, this new audience saw the ads as humorous, ironic and parodical – the "anti-beer" ad.

This division between traditional Miller consumers who identify with the ads' "certain quintessential, working class, Midwestern truths" (Popken 2007) and the consumers who see Morris as a master of irony and pastiche appear to co-incide with the dissemination medium. Traditional Miller consumers encountered the ads during sports viewing while the clever, ironic appeal of the ads meant awareness spread quickly among young bloggers and social commentators online who then viewed it on Youtube.

These ads invite a range of interpretations and directly engage the view or consumer in a co-construction of meaning. For the traditional Miller drinker, meanings are harmoniously reflected in and by the ads as they convey the realities of everyday life. For those who see the ads as parody, the meanings must be deciphered or looked for as the seemingly representational gives way to the humorous. To understand how Morris achieves this multi-layered, open narrative, we must also consider the techniques he employs. Morris' distinct filmmaking style developed as a reaction to accepted cinematic conventions, rules and modes of practice (Baker 2006) introducing a shift in the gendered space of advertising from representation to embodiment. Through a range of aesthetic, surrealist and absurdist techniques, (montage, *ostranenie*, de-framing, the jump-cut, unusual tilts and angles, cross-cuts or parallel editing between image and voice track and voice-in-the-head monologues), we see through a man's eyes and alter ego. Identity is constructed not only by what he sees but what he *thinks* about what he sees in the world around him. The male 'gaze' has been overwritten by another dimension – how he inhabits the suburban world and what he thinks about it as he ambles between work and pleasure, fixing a faucet, digging a hole in the lawn, or cooking his lunch. He shows that we can scrutinize reality through images and the fictions that people create about themselves (Grundman 2000; Conomos 2000). In his documentaries, Morris developed a range of hybrid cinematic techniques, borrowed from across genres, to shift the engagement from *subject* to *viewer* and to ask us to see cinema for what it is: a construct or representation' (Nichols 2006; 125). Morris imports this technique of converging fiction and non-fiction to explore 'the intersections of the 'fictional' and 'real' worlds we create and inhabit' (Grundman 2000; 1) into the constructed masculine world of Miller's High Life beer.

Morris transforms the conventions of

the 30-second commercial into a series of micro-narratives – *moments* that appear as if they've been taken from a collective 'real' world of masculine domestic enterprises and transformed into 'personal story worlds' (Grundman, 2000: 1). Morris has reconstructed the '*Millers' world'* as a hybrid world that exists somewhere between the consumer-viewers' childhood and adult experiences. Scenes or tableaus from these worlds are marked by the absence of contemporary technology – microwaves, cell phones, home theatre systems and laptops. These worlds exist in a half-light, a type of *refugia* located in Morris' mid-west, post-war, suburban America. Morris confronts the limits of mid-west masculinity through a simultaneous reflexive engagement with its construction. Historically, Miller beer commercial campaigns developed the stereotype of the rugged working class man looking for a little Miller time – *because he deserved it* (Miller, 2002). Morris appropriates this genre and reflexively inverts it, using a range of postmodern techniques to provide the consumer-viewer with a humorous insight into masculine thought. For the traditional Miller consumer, he humanises the Miller brand through a focus on men's preoccupations, temporary vulnerabilities, fantasies, confusions and internal monologues. For a new generation of consumers, Morris engages their sense of irony, contradiction and humour. In both instances, he shifts the relationship between product/consumer to filmmaker and consumer-viewer. He addresses the consumer-viewer by constructing a shared social world where 'real' physical activities such as digging a hole, fixing a faucet or a fridge are also the site of an encounter with inner, virtual worlds of perception, involuntary memory, reminiscence, affect (Deleuze 1973) and refuge (Bachelard 1994) interpreted either nostalgically or humorously. Morris brings this intersection between cinema as thought system (Deleuze 1989), neo-realism and a reflexive narrative mode (Nichols 2001) to advertising, inviting his audience to bring their own interpretive lens.

The appropriation of cinematic techniques enables Morris to introduce a more complex level to the aesthetics of representation in marketing. These techniques contribute to a self-consciousness between filmmaker and consumer-viewer. Morris' universe indicates a reflection on the conscious unity between the perceptions of subject, filmmaker and consumer-viewer and the personalised story worlds they share and inhabit. This collective visual experience, made possible through digital media and the importation of cinematic technique, establishes a new level of engagement between the marketer as art producer and consumer as consumer-viewer.

## CONCLUSION

In this paper, we posed the question of what marketing is, *or has the potential to be*, in the face of changing media trends. Using Morris' Miller "high life" ads as the case in question, our analysis and discussion of the Miller suite enables us to move towards some possible answers. Firstly, we conclude that contemporary media technology itself enables a level of audience engagement that has traditionally been reserved for cinematic or "formal" art forms. This traditional division between high and low art (a central tenet of the Modernist era) or, even more pejoratively, between art and the everyday is challenged by the evolution of media. This medium opens the doors for practices such as advertising (that speak to the mundanity of life as so frequently depicted in ads) to evolve and transform, inviting filmmakers such as Morris into the mix. In eroding or challenging the classical division between art and everyday life, Morris' work gives rise to a new aesthetic, the aesthetic of the everyday. This also leads us to conclude that the convergence culture of which Jenkins (2006) speaks has not only already commenced but is laying the ground for the transformation of traditional marketing to a co-constructed art form that engages the consumer as consumer-viewer and re-presents the daily life.

As part of this co-constructive experience, made possible through convergent media forms, Morris' work also demonstrates the divergent audiences and interpretations to which convergence gives rise. In this respect, we conclude that marketing has the potential to prompt meaningful, collective interpretive acts and be the catalyst for social engagement with converged content. These ads have simultaneously resonated with the traditional Miller drinker and a generation of media consumers who appreciate the ironic and irreverent. This appeal to such divergent demographics confounds traditional marketing logic and reveals the willingness of diverse consumers to engage in a consumer-viewer/filmmaker relationship where meanings can be constructed and challenged. The traditional producer/intermediary/consumer relationship (Kozinets 2001; McCracken 1988, 1989; Solomon 2003) into a filmmaker/consumer-viewer relationship constitutes a shift in the marketer/experience/consumer relationship, revealing the consumer-viewer as

engaged (Burroughs and Mick 2004; Hirschman 1980) in diverse interpretive acts.

As a result, we might also conclude that marketing has the potential to be a visible contributor to cultural production in the form of media content (as well as pure advertising) that far transcends its promotional or managerial function. While consumer researchers have long established that consumers use marketing messages and commodities for a host of meaning-making purposes, marketing practice itself might also start to regard itself as a form of art-based cultural production, a form of media that contributes to cultural discourse. This re-envisaging of what marketing does, what meaning it brings to the cultural sphere and what potential as a cultural producer it must realise for future survival in an increasingly visual, media-driven world will be central to the future purpose and practice of marketing.

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# Interpreting Store Design: Modern, Romantic & Pragmatic Stores

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## ABSTRACT

The aim of this study is to explore the linkages between store design and retail experiences from a consumer perspective. The research describes how store design influences consumers' experiences, guiding their interpretations of the values and the nature of the business that the retailer is implementing.

## EXTENDED ABSTRACT

In recent years, academic discussions about the spatial and cultural aspects of retailing have been salient providing understanding on why consumers appreciate themed brand stores (Kozinets et al. 2002), what is the role of branded store in consumers' experience (Hollenbeck, Peters and Zinkhan 2008) and how retail brand ideology is manifested through material environment (Borghini et al. 2009). However, whereas the meaning of brand flagship stores has been recognized, still relatively little is known about the retail experience that ordinary stores might provide to consumers in the context of everyday life.

The aim of this study is, firstly, to classify different types of retail store according to store design and visual appearance. The second goal is to examine how consumers perceive and experience different types of retail stores, and thirdly, to shed light on how design is reflected to social interaction among customers and salespersons in a store. Thus, this paper explores the nexuses between retail experiences and store design from a consumer perspective applying multi-sited ethnography (Marcus 1995) in data collection. The analysis draws upon geosemiotics which is a theoretical framework to study the social meanings of material placement of signs and discourses and people's actions in the material world. The theoretical framework consists of three overlapping sub-systems; interaction order, visual semiotics, and place semiotics, on whose intersections the social action is always placed at. (Scollon and Scollon, 2003)

In this paper, the conception of retail experience refers to holistic and immersing experience of consumers that they get visiting a retail outlet. Healy et al. (2007, 756) describe retail experience "as an emotional labyrinth in addition to being a physical store layout". Retail experience is closely related to the concept of consumer experience, which originates from interplay between a customer and a product, a company, or part of its organization (Gentile et al. 2007). Design is understood in a broad sense as a human capacity to plan and produce desired outcomes in the accomplishment of their individual and collective purposes. This perspective broadens design to include not only material artifacts, but also immaterial artifacts such as environments. (Buchanan 2001) The basic conceptions of space and place are essential for the study which is essentially place-bound. Space, in this study, implicates objective, physical dimensions and characteristics of a portion of the earth or built environment which is often defined by ideologies and powers. Place, instead, means the human and lived experience or sense of presence in a space. Place as a conception contrasts with space. (Scollon and Scollon, 2003, 214-216). The research involves data collection from various sites adhering to multi-sited ethnography (Marcus 1995) in order to contemplate the phenomenon under analysis in different locations and situations and offering paths to trace things through contexts. Three specialty stores were chosen on the basis of visual diversity, field of business and location to achieve a nuanced view of how consumers experience different types of store environments.

The analysis demonstrates that consumers are able to distinguish between different sorts of design and style orientations of stores. Furthermore, store environments seemed to influence consumers' in-store experiences in a very holistic way. In the first phase of analysis the stores are classified in terms of visual appearance and interviewees' perceptions into three categories: modern, romantic and pragmatic store. In general, the findings showed that consumers' retail experiences are constructed in a dialogical interplay with the surrounding material environment. This interaction influences not only personal experiences and feelings but it also defines social relations among people. Comparison between different types of store environments on the grounds of social interaction, visual appearance and customers' sense of place is quite revealing and interesting in several ways.

The modern store functions as a machine producing service to customers utilizing sales

personnel represented as experts. The store design relies on the aesthetics of simplicity and cleanliness creating more or less an atmosphere of a sacred site. The romantic store demonstrates an aspiration to provide a store where humanity and authenticity can be found in the form of cosy and multisensory ambient, variety of products manifesting the ecological values and friendly encounters among customers and salesperson. Pragmatic store, in turn, draws from the aesthetics of commodities placing the products to the first place in the store. In this case, products in the store are not only for sale but they also form and frame the whole store space.

Kozinets et al. (2002) have asserted that consumers go to themed flagship brand stores because they want to eagerly experience the brand rather than just purchase a product. Even though retail experiences provided by small specialty stores might not be as spectacular as experiences offered by flagship brand stores, it is important that customers are able to to perceive and sense the atmosphere and "read" the store space. Hollenbeck et al. (2008) found that so called brand museums are able to humanize the brand by providing a retail environment where consumers can explore various identity markers and desired selves. In this study it was found that cosy and decorative store design drawing on romanticism and arts and crafts ideology humanizes the retailer while modern store design alienates customers not only from products but also from sales personnel and other customers. However, the power of modern store design resides in its prospects to articulate spirituality, expert knowledge and technological advance. Borghini et al. (2009) demonstrated how ideology woven into an emplaced retail experience through material manifestation has a great potential to address today's values-oriented consumers. These findings further support the idea that retail stores through their material expressions carry always ideologies which are deeply rooted in history.

This study demonstrates how comprehensive store design, including in-store cues such as decorations, layout and dress of the staff, influences consumers' retail experiences, guiding consumers' perceptions and interpretations of the values, goals and the nature of the business that the retailer is executing. Furthermore, the research illustrates how historical styles, such as romanticism and modernism retain influential ideologies which are materialized in store environments in the form of ordering the space, organization of passageways, furniture and decoration and how the mentality related to these ideologies is still topical and influential in the current consumer culture.

## INTRODUCTION

In recent years, academic discussions about the spatial and cultural aspects of retailing have been salient providing understanding on why consumers appreciate themed brand stores (Kozinets et al. 2002), what is the role of branded store in consumers' experience (Hollenbeck, Peters and Zinkhan 2008) and how retail brand ideology is manifested through material environment (Borghini et al. 2009). However, whereas the meaning of brand flagship stores has been recognized, still relatively little is known about the retail experience that ordinary stores might provide to consumers in the context of everyday life.

The aim of this study is, firstly, to classify different types of retail store according to store design and visual appearance. The second goal is to examine how consumers perceive and experience these various types of retail stores, and thirdly, to shed light on how design is reflected to social interaction among customers and salespersons in stores. Thus, this paper explores the nexuses between retail experiences and store design from a consumer perspective applying multi-sited ethnography (Marcus 1995) in data collection and geosemiotics (Scollon and Scollon 2003) as an interpretive framework.

This research draws on culturally oriented consumer research (Arnould and Thompson, 2005) and design research to improve understanding on spatial aspects of retailing in relation to its wider social and cultural contexts. To justify this combination of study fields, for example Schroeder and Borgeson (1998) have suggested that conventions of art history, when framed with a social science perspective, might offer a contribution to the cultural analysis of visual images.

In this research, retail store is understood as a socially constructed space that defines boundaries for consumer choice (Esbjerg & Bech-Larsen 2009, 416) and structures the retail experience of consumers (Sherry 1998). Various types of store environments and products sold within them have been shaped by different, sometimes even competing interests and ideologies, constituting a ground of politics, culture and values (Arnould 2002; Sherry 1998) offering a fertile ground for research.

Commercial environments are a part of people's everyday life and since these spaces are

created to discreetly guide people's experiences, understanding of their effects on consumers is needed. Moreover, understanding on consumers' interpretations and responses to different types of stores offers valuable information for marketers for creating retail environments that are appropriately multifaceted and rich in signals and symbols.

This paper is organized as follows: firstly, the central conceptions of the research setting are defined. The paper is followed by methodology and data collection and a presentation of the findings from the empirical study. Finally, conclusions are drawn including a discussion section.

## 2. KEY CONCEPTS

In this paper, the conception of retail experience refers to holistic and immersing experience of consumers that they get visiting a retail outlet. Healy et al. (2007, 756) describe retail experience "as an emotional labyrinth in addition to being a physical store layout". Built environment of the store structures the retail experience in multiple ways (Sandikci and Holt 1998, 307).

Retail experience is closely related to the concept of consumer experience, which originates from interplay between a customer and a product, a company, or part of its organization (Gentile et al. 2007). Customer experience refers to holistic, lived experience which entails components such as sensing, feeling, thinking, acting and relating (Schmitt 2003). According to Schmitt (2003) there are both static elements (tangible features of a store) and dynamic elements (social relationships, symbols and themes) which function in interaction driving the customers' experience. Carú and Cova (2003) address differentiating the concepts of consumption experience and consumer experience pointing out how the first one doesn't necessarily relate to the marketplace while the latter is always dependent on what the market offers. Furthermore they emphasize that the intensity of either consumption experience or customer experience is not standard but rather varied. This diversity between different kinds of consumer experiences can be understood distinguishing mundane and ordinary experiences from extraordinary and memorable experiences. The division provides a perspective to valorize also simpler and more common experiences than extraordinary spectacles (Carú and Cova 2003).

In this research, design is understood in a broad sense as a human capacity to plan and produce desired outcomes in the accomplishment of their individual and collective purposes. This perspective broadens design to include not only material artifacts, but also immaterial artifacts such as environments. (Buchanan 2001)

The basic conceptions of space and place are essential for the study which is essentially place-bound. Space, in this study, implicates objective, physical dimensions and characteristics of a portion of the earth or built environment which is often defined by ideologies and powers. Place, instead, means the human and lived experience or sense of presence in a space. Place as a conception contrasts with space. (Scollon and Scollon, 2003, 214-216).

## 3. METHODOLOGICAL CONSIDERATIONS

The research involves data collection from various sites adhering to multi-sited ethnography (Marcus 1995) in order to contemplate the phenomenon under analysis in different locations and situations and offering paths to trace things through contexts. Three specialty stores were chosen on the basis of visual diversity, field of business and location to achieve a nuanced view of how consumers experience different types of store environments. It is necessary here to clarify exactly what is meant by specialty store: it implicates a store, usually retail, that offers specific and specialized types of items. These stores focus on selling a particular brand, or a particular type of item. In this study, selected stores represented three types of specialty stores: eyeglasses store, book store and eco store. All the sites were situated in the center of a small town in the middle of Finland. The first phase of data collection included approximately 50 hours of passive observation which was documented by taking notes and photographing the flow of action taking place in the stores. Observational data provided an "etic" perspective to the store environments and offered a scene on how these stores function as sites of social action. The second phase of data collection included thirteen accompanied "shopping" interviews, from which four were conducted in pairs, offering an "emic" standpoint. Both men and women were represented and the age of interviewees ranged from 12 to 54 years. The researcher took the interviewees to a "shopping" tour during which they visited the stores. The interview took place after the visit to the store in order to capture recent and imminent experience roused by the store environment. The purpose of the interviews was to generate "cultural talk" in order

to tap into shared and discursive, cultural meanings and practices embedded in store environments (Moisander, Valtonen and Hirsto 2009). In addition, the data was supplemented by 12 "shopping diaries" in which marketing student have written about their experiences and impressions after visiting the same stores than were visited during interviews.

The analysis draws upon geosemiotics which is a theoretical framework to study the social meanings of material placement of signs and discourses and people's actions in the material world. The theoretical framework consists of three overlapping sub-systems; interaction order, visual semiotics, and place semiotics, on whose intersections the social action is always placed at. (Scollon and Scollon, 2003)

## 4. FINDINGS

The analysis demonstrates that consumers are able to distinguish between different sorts of design and style orientations of stores. Furthermore, store environments seemed to influence consumers' in-store experiences in a very holistic way. In the first phase of analysis the stores may be classified in terms of visual appearance and interviewees' perceptions into three categories: modern, romantic and pragmatic store.

### 4.1. MODERN, ROMANTIC AND PRAGMATIC STORE



Photo 1. The modern store

The eyeglasses store represents modern retail design. (Photo 1) The storefront is made of glass affording an open view to the store which white interior, bright lightning and store personnel's white coats draw customers' attention. Interviewees claim that spacious and white interior in the store reminds of hospitals, health care centres and pharmacies. One of the interviewees describes his experience of the modern store as follows:

In a way this store spoke to me but it wasn't really an aesthetic experience. The colours were mainly limited to white and red, and that reminded me of a modern work of art which has straight strokes like this (demonstrates with his hands) and only few colours. Certainly, this store reminded me of modern art. The store didn't really allure me visually, but in my opinion, the store might appeal in more intellectual level just like modern photography for example. (Male, 33 years)

Modern style is usually connected with urbanity, minimalism, streamlined geometric shapes and technology. The roots of modern aesthetics were developed in the early 20th century as a reaction to the elitism of the 19th century historical styles. The appearance of modern architecture was characterized by new construction methods and materials, such as steel, plastic laminated wood, fibreglass and canvas. Modern style also incorporated resistance to ornament, colours and rapid stylistic change striving to create functional, classic and democratic architecture. Thus, originally the modern design included a social and political program. (Curtis 1982, 14-20)



Photo 2. The romantic store

The eco boutique portrays a romantic store design. (Photo 2) The store is furnished with antiquated retro furniture, wallpapers with floral ornaments. Atmosphere in the store is colourful and cosy but slightly overloaded. The store is divided into two spaces; the selection of organic and local food products are placed in one room while the other room is packed with different kinds of ecological products ranging from handbags made of recyclable materials to eco-friendly cosmetics. The abundance of goods and colourful interior decoration with old wood furniture creates a unique atmosphere. The romantic store evoked many similar comments, with a female informant (22 years) stating:

There were several different kinds of scents in the store. The arrangement of furniture, decorations and products was lovely and I am sure that they have really devoted to it. The store wasn't built according

to some strict standard imposing that shelves have to be arranged systematically in straight lines, but rather it was very personalized and unique store. The store was decorated with antique furniture, showcases and shelves which were not the same colour or style but they were combined in a way that they went well together. The store reminded me of closeness to nature and in some way also simplicity.

The romantic store design originates in influential Arts and Crafts movement which flourished from the second half of the 19th century to the beginning of 20th century. The Arts and Crafts movement cherished traditional craftsmanship, preferred "authentic" and natural materials and favoured romantic or folk styles of decoration. The movement started as a search for aesthetic design and a reaction against the style and products developed by industrial machine production. The movement drew inspiration largely from nature and medieval architecture. As the ideology of modern design, also the Arts and Crafts movement embraced an aspiration for improving the quality of life and contributing equality through design and architecture. (Crook 1987, 69-97)

Photo 3. The pragmatic store

In this research, the book store stands for a pragmatic store. The book store has two floors and both of them are designed applying a grid-style layout. The ground floor is substantially more spacious and distinguished because of the selection of quality books and novels whereas the basement is a place for all other products, such as toys, office supplies and art and craft supplies. (Photo 3) The interpretation evoked by a visit to the pragmatic store is exemplified in the statement below: Well, in my experience this store didn't really invoke any special feeling or atmosphere. In a way people were just browsing and shopping some gifts or something like that. As a matter of fact, I usually love visiting bookstores. However, this bookstore was very neutral place even though there were a lot of all kinds of stuff. (Woman, 22 years)



Atmosphere in the store is characterized by the products sold, and hence the store design emerges from the product-centred idea that the store is a place where the products are delivered to customers. The functionality, efficiency and practicality are the

| | Interaction order | Visual semiotics | Place semiotics | Social action |
|---|---|---|---|---|
| Modern store | -Distant and hierarchical<br>-Sales persons as experts | -White, simple and spacious retail space<br>-Staff wearing white doctor's coats | -Clinical and overwhelming place<br>-Efficient and distancing | Bargaining as solving consumer's problems under the guidance of an expert |
| Romantic store | -Friendly peer relations between sales personnel and customers | -Abundance of handmade products, floral decorations and colours | -Multisensory environment<br>-A place for treasure hunt<br>-References to past times | Bargaining as a friendly cooperation |
| Pragmatic store | -Sales persons are not present<br>-Customers browse the products by themselves | -Grid-style layout<br>-The products on sale as the most salient element | -Neutral and ordinary place<br>-Efficient and systematic place | Bargaining as an action to satisfy consumers' needs |

Table 1. Comparison between modern, romantic and pragmatic stores

main concerns designing a sales-driven "pragmatic" environment while the stylistic concerns remain on the background.

## 4.2. HOW STORE ENVIRONMENT APPEARS IN THE SOCIAL ACTION

In general, the findings showed that consumers' retail experiences are constructed in a dialogical interplay with the surrounding material environment. This interaction influences not only personal experiences and feelings but also defines social relations among people. Comparison between different types of store environments on the grounds of social interaction, visual appearance and sense of place is quite revealing and interesting in several ways. In the following section empirical findings about the diverging meanings of retail stores are presented. (Table 1)

Table 1. Comparison between modern, romantic and pragmatic stores

The modern store is constructed in terms of service process which means that each phase has its own place within the store. Neither customers nor sales personnel have fixed places, but they move around the store depending on the stage of the service process. As a matter of fact, the modern store functions as a machine fuelled by sales personnel and customers, following the modern design ideology. Even though salespersons share the same open space with customers most of the time, the gap between these two parties is substantial; the relationship between customers and salespersons is distant and hierarchical. Salespersons are seen as severe professionals and efficient experts who possess the best knowledge regarding the products sold in the store. Moreover, salespersons wear white doctor's coats which function as a powerful sign awaking associations of expertise and creating confidence. Also the relationship between customers is distant because the spacious store prevents random encounters. The social distance between salespersons and customers is described in the following statement, where the informant articulates his interpretation on the ambience in the store.

The salespersons wore white coats which made them to look like a real experts. So, the atmosphere that prevailed there wasn't convivial at all. But somehow the whole place signaled a severe professionalism and I am sure that they provide an excellent service there. (Male, 24 years)

The visual environment of the modern store

is characterized by spaciousness, white colour and harmonious simplicity creating almost a sacred atmosphere. Basically, the modern store space invokes feelings of perplexity among customers because of an alienating and slightly stark atmosphere. The modern store is a place where severe expertise is practiced and customers' problems are solved under the baton of experts.

From the perspective of social linkages, the romantic store diverges from the modern store embodying a friendly and equal relationship between sales personnel and customers. The sales person, who is to represent the values of the store, stands firmly behind the checkout desk greeting incoming customers and providing his / her assistance to those customers who need help. This is depicted in the following passage where the informant describes his visit to the romantic store:

Warm and friendly would be pertinent expressions to describe the atmosphere of the store. The salesperson behind the checkout desk asked me whether I needed help and the other person offered juice for me to taste. But neither of them was pushy and when I told them that I was just looking around, so I could freely browse around the shop. (Male, 26 years)

The visual environment is characterized by abundance of products and materials, colourfulness and decoration steeping in history, handicraft and nostalgia. The rambling layout of the store and the profusion of different products drive customers to recall the past times encouraging "treasure hunting". On the other hand the romantic store is also experienced as a cosy and creative place because of subtle disarray which signals humanity and authenticity. Altogether, the social action taking place in romantic store could be described as emphatic and homespun bargaining which is based on cooperation and mutual trust between consumers and sales personnel.

The pragmatic store is constructed to display and distribute products rather than to mediate a certain atmosphere through store design. The store realizes the idea of efficient self-service through grid-style layout leaving consumers to browse a selection of books all by themselves. The following quotation derived from one of the informant's statements illustrates the social aspect of the pragmatic store:

It is quite nice to browse there because there is enough space between the shelves and bypassing other customers is easy. I feel that the customers don't even notice each other. Since the store is so large,

customers can freely browse around the store - and usually they read crouched over a book. It is almost like being in a library…in a way people try to be a bit invisible there. (Female, 22 years)

Sales personnel are not present for consumers but they might offer help in passing. The relationship between customers and salespersons is constructed in the moment of purchase at the checkout desk. Similarly, the link between customers is loose because the store does not offer places for random encounters with each other. Therefore, customers seem to associate pragmatic store with efficiency and systematic order generating rather neutral experiences of place among customers. However, the pragmatic store is also considered as a reliable, familiar and sincere shop because it concentrates on offering the actual products rather than creating atmospherics or building brand image through store design. Hence, the pragmatic represents a simple and casual store where customer is able to satisfy his/her needs with products offered in the store.

## 5. DISCUSSION

The analysis of the research revealed three different types of stores that differ not only in style but also on ground of experiences they evoke among customers. The modern store functions as a machine producing service to customers utilizing sales personnel represented as experts. The store design relies on the aesthetics of simplicity and cleanliness creating more or less an atmosphere of a sacred site. The romantic store demonstrates an aspiration to provide a store where humanity and authenticity can be found in the form of cosy and multisensory ambient, variety of products manifesting the ecological values and friendly encounters among customers and salesperson. Pragmatic store, in turn, draws from the aesthetics of commodities placing the products to the first place in the store. In this case, products in the store are not only for sale but they also form and frame the whole store space.

Kozinets et al. (2002) have asserted that consumers go to themed flagship brand stores because they want to eagerly experience the brand rather than purchase a product. Even though retail experiences provided by small specialty stores might not be as spectacular as offered by flagship brand stores, it is important that customers are able to perceive and sense the atmosphere and "read" the store space. If retailer solely relies on the power of products creating store environment, the retail experience might remain neutral and insignificant.

Hollenbeck et al. (2008) found that so called brand museums are able to humanize the brand by providing a retail environment where consumers can explore various identity markers and desired selves. In this study it was found that cosy and decorative store design drawing on romanticism and arts and crafts ideology humanizes the retailer while modern store design alienates customers not only from products but also from sales personnel and other customers. However, the power of modern store design resides in its prospects to articulate spirituality, expert knowledge and technological advance. Borghini et al. (2009) demonstrated how ideology woven into an emplaced retail experience through material manifestation has a great potential to address today's values-oriented consumers. These findings further support the idea that retail stores through their material expressions carry always ideologies which are deeply rooted in history.

This study demonstrates how comprehensive store design, including in-store cues such as decorations, layout and dress of the staff, influences consumers' retail experiences, guiding consumers' perceptions and interpretations of the values, goals and the nature of the business that the retailer is executing. Furthermore, the research illustrates how historical styles, such as romanticism and modernism retain influential ideologies which are materialized in store environments in the form of ordering the space, organization of passageways, furniture and decoration and how the mentality related to these ideologies is still topical and influential in the current consumer culture.

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# Food Allergies: Understanding the Issues from a Consumer Perspective

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Food allergic individuals are a consumer group whose needs are currently not being effectively met. Based on a review of published research, food allergies appear to affect between 2 and 10% of the general population (Sicherer 2011). Currently food allergy treatment involves complete avoidance of the food allergen and as a result individuals with food allergies will face very different issues compared to those with other chronic health conditions. To implement strategies for the effective management of this health problem, good quality information about the needs of individuals with food allergies is required.

While food allergies have been reported to impact on quality of life (Sicherer, Noone et al. 2001; Marklund, Ahlstedt et al. 2006; Östblom, Egmar et al. 2008; Flokstra-De Blok, Dubois et al. 2010), the extent of knowledge in this area is still very limited. A major limitation of the available literature is that it is lacking in qualitative research studies, in particular qualitative research with food allergic adults. The majority of published research on the quality of life of food allergic adults has involved the use of health-related quality of life questionnaires (both generic and food allergy specific). The resulting quantitative data gives an indication of 'how often' and 'how much' of an impact different (predetermined) issues have, but the information is limited by the questions asked (i.e. can only measure what the questionnaire asks about). Questionnaires also tend to be limited in their ability to answer 'how' and 'why' (DunnGalvin and Hourihane 2009). Relying on questionnaires and/or using pre-existing hypotheses will limit novel findings (DunnGalvin and Hourihane 2009) which, particularly in an area of research that is still in its early stages, is important to consider. Another limitation of the available literature in this area is that it is split across different disciplines (e.g. medical research, psychology, and food service/food industry research). It is therefore likely that some issues are overlooked as they are not considered relevant to any of these disciplines.

The aim of the present study is to identify and understand the issues that impact on the lives of adults with food allergies. In this project we take an interdisciplinary approach, combining knowledge from food science, consumer food science, and consumer psychology, to allow a holistic assessment of all the issues faced by food allergic adults. The philosophical approach to this research is inductive with a largely interpretivist perspective to allow for novel findings, as well as the development of a better understanding of how and why the lives of food allergic adults are impacted. However, a pragmatic approach is also taken as we acknowledge that the best possible outcome, in terms of knowledge produced, will be achieved by combining methods that are typically associated with different philosophical positions. This research therefore employs a qualitative method for the exploratory stages (to answer what, how, & why questions), followed by a quantitative method to enhance the level of knowledge produced with information on how much and how often.

Focus groups were held with four different groups of food allergic adults. Demographic information of the participants was collected using a short online questionnaire which was completed prior to the focus group session. The focus group participants were from a range of socio-economic backgrounds, and included adults (aged 20-77) with a variety of different food allergies. During each focus group, the participants were asked to rate a number of statements about living with food allergies in terms of their importance/relevance to their lives. The focus group participants were then involved in an in-depth discussion about the food allergy-related issues that impact on their lives. Thematic analysis of the focus group transcripts was completed using NVIVO software. A number of key themes and sub-themes were identified and will be presented diagrammatically to illustrate their relative importance as well as the interaction between themes. Key themes were grouped into three main categories: issues related to living with a food allergy; external influences; and internal influences. The issues related to having a food allergy (allergen-free eating issues; healthcare system issues; costs of having a food allergy; and effects on wellbeing) were found to be complex and highly interrelated. External influences (others' lack of awareness and others' attitudes) were reported to have a negative influence on ability to cope

with the issues, while internal influences (personal growth and adaptation) had a positive influence. The results from the focus groups indicate that the needs of food allergic consumers (in terms of healthcare as well as food supply) are not being effectively met. The focus group data also enabled the identification of potential approaches for the improvement of products and services for food allergic adults. Improved food allergy awareness among healthcare professionals is likely to result in earlier diagnosis and better management of food allergies. Food allergy education of food service providers and the general public will not only improve safety for those at risk of extreme allergic reactions, but is also likely to reduce the overall impact on quality of life for all food allergic adults (particularly in terms of allergen-free eating, personal costs, and physical and psychological wellbeing).

The next part of this research involves the use of a real-time data capture method, allowing participants to report on their current experiences to determine the impact of food allergy related issues on a daily basis. An online survey will be developed based on the data from the focus group research. Participants (n = 100-200) will be asked to complete daily online surveys for a period of one month. The questions in the surveys ask the participants about what impact (if any) different food allergy-related issues have had on their lives on that particular day. The resulting data will allow us to quantify the relative impact of different issues on the lives of food allergic adults. This will then allow us to identify areas where future research is most warranted as well as identifying potential interventions that may be useful (e.g. new products or services).

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# Consumer Cost Concerns in an Online Group Buying Community: An Exploratory Study

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## ABSTRACT

The primary concept of online group buying business models is the lower prices the sellers can provide, due to the buyers' collective bargaining power. We argued that price encompasses more than the dollar amount or financial cost to the consumer. Recently, consumer participating in ihergo's online group buying community of CC2B e-commerce to buy products has been a prevailing and flourishing phenomenon in Taiwan. This paper aims to explore some emergent consumer cost concerns involved in participating and buying products in ihergo's community. From literature review and Netnography, our results identify four basic types of consumer cost concerns: profit, value, belongingness, and self-achievement. These costs when paired with whatever value or utility the community offers, are a convenient way to consider the meaning of price to the consumer.

**Key words:** Consumer cost concerns, CC2B E-Commerce, Online group buying community, Netnography, Price

## EXTENDED ABSTRACT

According to an Australian research company Telsyte report, "Australian consumers are spoilt for choice with group buying deals. The market has gone from publishing around 800 deals a month at the end of 2010, to currently around 4000 deals a month" (Admin, 2011). As the Web 2.0 technology advanced rapidly in recent years, many online group buying websites emerge as conduits for consumers to engage in group buying activities all over the world. These activities can be seen in typical e-commerce environments such as B2B and B2C (Kauffman and Wang, 2001). Group buying business models are representative of innovation in the context of Internet-based selling. The primary concept of online group buying business models is the lower prices the sellers can provide, due to the buyers' collective bargaining power. A recent trend is that it also happens in CC2B ("Consumer +Consumer" to Business) structure. Since consumers can easily form communities to demonstrate their superb purchase power, they are in a better position to negotiate prices or even affect policies, product characteristics, and services. We argued that price encompasses more than the dollar amount or financial

cost to the consumer. Some researchers (Muniz and O'Guinn, 2001; Schau, Muniz, and Arnould, 2009) showed that a very positive effect for firms from such communities is the collective value creation for the brands. In other words, what consumer costs have been concerned to make their purchase through online group buying becomes an important issue under dynamic pricing mechanisms.

Recently, group buying community web site in Taiwan, i.e. ihergo.com is very popular, too. According to the instituted for information industry (http://www.iii.org.tw/), Taiwan's e-commerce market in 2007 totaled about NT$186 billion (=US$6.2 billion), and jumped by 32.2% to NT$243 billion (=US$8.1 billion) in 2008. This represents about 3.6% of its overall retailing market, compared with 7.3% in Europe and 9.4% in USA. Profoundly, there is still much room in Taiwan for consumers to resort to the online shopping venue for their needs. CC2B e-commerce emerges in Taiwan, but there are scanty studies focused on it. This paper aims to explore some emergent consumer cost concerns involved in participating and buying products in ihergo's online group buying community.

To achieve our research objective, we employed "Netnography" to gather data, including online participant-observation (e.g., observing participants' online discussion and buying behavior in ihergo), online interviews (e.g., email exchanges and online immediate interviews), offline participant-observation (e.g., joining private parties/meetings) and offline (face-to-face in-depth) interviews. We also adopted a strategy of posting to recruit volunteer consumers in inhergo's online group buying community. According to Mr. Liu, a producer of ihergo, the demographic data indicate that most of its members are between 25 and 35 years old and likely to be college-level women. Therefore, in total 34 female participants were involved in this study. The data reported in this paper were collected from June 2008 to December 2009.

From a consumer's point of view, price is usually defined as what the consumer must give up to buy a product or service. Previous research typically views price only in terms of dollar amount asked or paid for an items or service (Anand and Aron, 2003;

Spulber, 1996). We believe price is a pivotal element in the exchange process of online group buying. However, our findings propose a model of marketing exchanges in online group buying community of CC2B e-Commerce and highlight four basic types of consumer cost concerns derived by ihergo's online group buying community of CC2B e-commerce: profit, value, belongingness, and self-achievement. These costs when paired with whatever value or utility the community offers, are a convenient way to consider the meaning of price to the consumer.

On reflection, the interpretations strongly suggest that except price concerned, belongingness is a prominent and unique concern for consumers to evaluate their costs in ihergo's online group buying community of CC2B e-commerce. Interestingly, our results support previous virtual or online community studies that consumers love to share their daily trivial things with other members, discuss where to get delicious food, and even gather together to meet offline for special activities (Hine, 2000, 2007; Rheinglold, 1993, Weise, 1996; Weise, 1996). For some participants, belongingness concerns are found outweighed than profit concerns to develop social supports and achieve their common goals in CC2B e-commerce (Schiffman & Kanuk, 2007). In other words, marketing exchanges in an online group buying community of CC2B e-commerce are not really about price or profit concerns – they are about camaraderie.

## INTRODUCTION

A new study published by Telsyte reveals that the Australian online group buying marketing continues to go from strength to strength. The market grew from $71.8 million in Q1 2011 to $123.9 million in Q2 2011, a quarter-on-quarter increase of 72%. According to Sam Yip, a senior research manager at Telsyte, analyzed in the report, "Australian consumers are spoilt for choice with group buying deals. The market has gone from publishing around 800 deals a month at the end of 2010, to currently around 4000 deals a month" (Admin, 2011). In fact, the rapid growth of e-Commerce and fast spread of social media has paved the way for online group buying by offering new tools and opportunities to all consumers to express their demands. The values created by such a system for both consumers and sellers have led to the optimistic prediction about the coming popularity of group buying websites as a new way of selling products to consumers all over the world.

In the late 1990's, when e-Commerce became increasingly popular among consumers, many forms of e-commerce emerged. B2B and B2C constituted the majority of such online platforms (Kauffman & Wang, 2001). Each platform can be further categorized into many sub-categories based on the variations of different parameters. Among them, online group buying is one. Recently, online group buying community formed CC2B (consumer+consumer to business) e-commerce has been a prevailing and flourishing phenomenon in Taiwan. Especially, group buying community web site in Taiwan, i.e. ihergo.com is very popular recently. According to the instituted for information industry (http://www.iii.org.tw/) Taiwan's e-commerce market in 2007 totaled about NT$186 billion (=US$6.2 billion), and jumped by 32.2% to NT$243 billion (=US$8.1 billion) in 2008. This represents about 3.6% of its overall retailing market, compared with 7.3% in Europe and 9.4% in USA. Profoundly, there is still much room in Taiwan for consumers to resort to the online shopping venue for their needs.

Online group buying simply is mechanism where consumers of similar products from online communities and use the advantage of their ordering quantity to negotiate prices with sellers. These groups of consumers can also potentially influence the manufacturers and retailers on policies, product characteristics, and services (Wang & Chen, 2009). Many online group buying sites stared in the end of 1990's. For example, MobShop and Mercata are the two early online group buying platforms. However, due to various reasons such as fast expansion (cash burning rate), improper operation, and fierce competitiveness, many such sites closed in the early 2000's, only to be replaced by many other more.

The concept of quantity discount is not at all new to e-commerce. Even for regular e-commerce sites such Amazon and Dell, one often sees that if your order exceeds a threshold, either in quantity or total dollar amount, certain benefits (extra peripherals for free, free shipping, etc.) will apply. Most sellers would like to see that they can sell their products in large bulk in return for a little cheaper price. That is the reason why after many online group buying sites went down, more emerged. Another advantage online group buying provides is the value of comments and feedback to the sellers since they are integrated from many consumers at one time rather than from each individual consumer. That is, the comments and feedback can be considered as consensus opinion

from a group of consumers.

Furthermore, group buying business models are representative of innovation in the context of Internet-based selling. The primary concept of online group buying business models is the lower prices the sellers can provide, due to the buyers' collective bargaining power. We argued that price encompasses more than the dollar amount or financial cost to the consumer. What consumer costs have been concerned to make their purchase through online group buying becomes an important issue under dynamic pricing mechanisms. CC2B e-commerce emerges in Taiwan, but there are scanty studies focused on it. In this research, we focused on the largest online group buying site in Taiwan, i.e. ihergo.com and employed "Netnography" to explore some emergent consumer cost concerns involved in participating and buying products in ihergo's online group buying community.

## LITERATURE REVIEW

Group buying has been a common business practice for decades, if not centuries. With quantity discount being the major driving force, consumers either individually purchase multiple quantities of the same item or form shopping groups to place bulk orders. The pricing of quantity orders is typically a mechanism sent by the sellers or as a result of the negotiation process between buyers and sellers. Through technology development, O'Brien (2000) characterized online group buying as one of a number of means of "cooperative commerce." Viewed this way, consumers benefit from additional buyer who join an online group, and thus will have an incentive to recruit additional buyers. As a result, one can predict that online group buying business models may lower consumer acquisition costs for retailers. They can also simultaneously help manufacturers to offload excess inventories. In addition, they can also deliver lower price benefits to consumers (Rugullies, 2000). Cook (2001) further pointed out that the group buying business model is too difficult to understand. The author also argued that the mechanics of online group buying also prevent impulse buying, due to the lengthy periods consumers have to wait until the end of the auction cycles that characterize group buying market mechanisms. We argued that the challenges faced by group buying websites come from different consumer cost concerns. In the following section, we first describe the market mechanisms, and then consider the consumer cost concerns that might be emerged through various online group buying models.

## THE MARKET MECHANISMS

Pricing to match buyers and seller is a vital function of a market (Spulber, 1996). The group buying phenomenon propagates to online auctions. Typically, posted-pricing mechanisms have been the dominant pricing strategies, where retailers display the prices they ask for the merchandise and consumers decide whether they would accept the prices or not. In an early stage, some comparison studies have been done. For example, Anand and Aron (2003) compared online posted-pricing mechanism with group buying auction mechanism in different scenarios involving demand uncertainty and economies of scale. Using analytical models, the authors provided a guide to the conditions that favor the group buying auction mechanism. Chen and his colleagues (2002) studied bidders' behavior in online group buying auctions. They provided that, under the assumption of independent private value, the mechanism is incentive-compatible for bidders. They further analyzed the stochastic arrival process of bidders in online group buying auctions (Chen, Chen, and Song, 2007), and developed an approach to determine optimal bidding strategies.

Under dynamic pricing mechanisms, however, buyers are no longer left with this take-it or leave-it decision. They can actively negotiate with the sellers to reach a satisfactory price. For instance, buyers in online auctions, such as we have seen at eBay, place their bids and the final transaction price is the highest price offered at the end of the auction. At Priceline, for example, consumers and their assessment of their own supply of perishable assets, sellers then can decide whether they would like to accept the prices. In a recent article by Chen, Chen, Kauffman, and Song (2009), it was demonstrated that online group buying auction mechanism can be effectively enhanced to produce higher welfare for the auction participants. To achieve this, they suggested that auction intermediary provide a means for bidders to cooperate, resulting in a collectively greater demand. They claimed that such cooperation permits the group buying auction mechanism to dominate the fixed-price mechanism from the seller's point of view under some circumstances. What makes dynamic pricing different from posted-pricing strategies is that, with the wide network connection and lower operation costs enabled by technology, consumers become more active in the price discovery process, resulting in greater a likelihood for transactions to occur and for higher market efficiency and effectiveness.

## CONSUMER COST CONCERNS

Research in pricing policies and quantity discounts abound. For example, Kohli and Park (1989) analyzed the transaction efficiency of quantity discount in traditional retailing and concluded that is a win-win strategy because it is the outcome of cooperation between buyers and sellers. As the Web 2.0 technology advanced rapidly in recent years, many online group buying websites emerge as conduits for consumers to engage in group buying activities. An early attempt was made by Kauffman and Wang (2002) who observed that consumers, in deciding whether to join an online group buying event, would consider the current number of members in the group, the possibility of a price-drop during the process, and whether the end of the transaction was imminent. Through a laboratory experiment, Lai, Doong and Yang (2009) argued that consumers would only exhibit a higher tendency to join in an online group buying transaction if they perceived narrow price dispersion in the market. These studies point to the existence of a number of factors that contribute to the reluctance of consumers to engage in online group buying events, when this business model was first introduced. Therefore, it can be concluded that appropriate incentive mechanisms are needed to promote consumers' decisions to participate in an online group buying event.

The phenomenon of online group buying is not limited to any specific industry, geographical area, or consumer demographics. In the US, recent successful group buying stories are Groupoon.com and BuyWthMe.com. Groupon.com alone is expected to generate $100 million in revenue in 2010. In Europe, letbuyit.com has been successful in helping consumers in finding and negotiating good deals. In China, many similar group buying sites exist, e.g. teambuy.com. cn, taobao.com, and liba.com. In Taiwan, ihergo.com which leads consumers to form its own community has been a prevailing and flourishing phenomenon to gain purchase power to negotiate with sellers. This type of group buying community is mainly composed of consumers who are interested in the same products or have the same values. The largest Taiwanese online group buying community, ihergo.com, started in March 2007. As of December 2009, there are more than 5,000 buying group communities formed on the site. Many of them (more than one hundred) reached a size of more than 1,000 group members. Members of any group communicate with each other via emails or other electronic means such as forums, reviews, feedback, and blogs. In ihergo.com, there are three kinds of roles in any online group buying community, i.e., group leader, group buying chief, and group member. Group leader is the one who starts an online group buying community; group buying chief is the member who directly communicates/negotiates with the manufacturers or sellers; and group member is just a regular constituency of an online group buying community who shares the costs of purchasing and particular product/service of interest among all other members in the same community. *Both group leader and group buying chief are by default group members as well*. *This is the typical structure exists across all known online group buying sites*.

Online group buying activities can be seen in typical e-commerce environments such as B2B and B2C (Kauffman and Wang, 2001). A recent trend is that it also happens in CC2B ("Consumer +Consumer" to Business) structure. Since consumers can easily form communities to demonstrate their superb purchase power, they are in a better position to negotiate prices or even affect policies, product characteristics, and services. Some researchers (Muniz and O'Guinn, 2001; Schau, Muniz, and Arnould, 2009) showed that a very positive effect for firms from such communities is the collective value creation for the brands. In other words, the emergent consumer cost concerns involved in participating and buying products through various online group buying models becomes a vital topic to be explored and discussed.

## 3. RESEARCH METHODS

Netnography is defined as a written account resulting from fieldwork which studies the cultures and communities that emerge from online, where both the fieldwork and the textual account are methodologically informed by the traditions and techniques of cultural anthropology (Kozinets, 1998, 2001). Traditionally, ethnography requires an immersive combination of cultural participation and observation, resulting in the researcher becoming "for a time and in an unpredictable way, an active part of the face-to-face relationships in that community" (Van Maanen, 1988, p. 9). Netnography, like ethnography in cultural anthropology and cultural studies, strongly emphasizes full participation-observation as a recognized cultural member in the culture being studied (Kozinets, 1998). This participation-observation constitutes an important element of the fieldwork, but the netnography of the Internet does

not necessarily involve physical travel. Visiting the Internet focuses on experiential so-called "screen-and-keyboard" involvement rather than physical displacement. As Burnet (1996, cited in Hine 2000, p. 45) stated, "you travel by looking, by reading, by imaging and imagining." It has been questioned whether a netnographer sitting at a desk in an office can explore the social spaces of the Internet. The netnographer in cyberspace can, of course, observe/lurk in a way that face-to-face ethnographers cannot readily achieve in real life. Although it is easy for a netnographer to observe/lurk research participants online, Reid (1995) argued that printouts from online community interactions lose their ethnographic meanings when read after the event. The utterances of research participants might be preserved, but the experience of participating is not. Therefore, a more active form of netnographic engagement in the field also requires the netnographer, rather than lurking or downloading archives, to engage with participates online (Marvin, 1995; Paccagnella, 1997). Correll (1995) emphasized that besides her online participant-observation work she also met some of her participants "face-to-face" offline. This offers the researcher some verification of statements made online. Making this shift from an analysis of passive discourse to being an active participant-observer, allows for a deeper sense of understanding of meaning creation (Hine, 2000). Instead of being a detached and invisible analyst, the netnographer becomes visible and active within the "online" and "offline" field settings. Questions can be asked and emerging analytic concepts tested and refined with the cooperation of research participants online and offline (Hine, 2007). In this view, being an active netnographer in an online community entails reading, interpreting and replying to messages as they arrive. The most important thing is to be there [offline] with research participants as well as observing what is going on in their real lives.

To achieve our research objective, we explored some emergent consumer cost concerns involved in participating and buying products in ihergo's online group buying community. This study used 'Netnography' to gather data, including online participant-observation (e.g., observing participants' online discussion and buying behavior in ihergo), online interviews (e.g., email exchanges and online immediate interviews), offline participant-observation (e.g., joining private parties/meetings) and offline (face-to-face in-depth) interviews.

According to Mr. Liu, a producer of ihergo, the demographic data indicate that most of its members are between 25 and 35 years old and likely to be college-level women. For privacy and commercial secret concerns, the company could not disclose personal information. Therefore, we adopted a strategy of posting to recruit volunteer consumers in inhergo's online group buying community. In total 34 female participants were involved in this study. Their ages are between 26 and 40 years old. Half of them are married and half of them are unmarried. The data reported in this paper were collected from June 2008 to December 2009. Data collection consisted most of formal and informal face-to-face interviews, online and offline participant-observations, email exchanges, and online interviews. In certain formal face-to-face in-depth interviews, we audio-taped and transcribed not only the exact word from the participants, but also some other non-verbal and emotional cues and like laughter and signs of embarrassment. In order to minimize the "distortion of the fieldwork texts," we read all textualized 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. Each interview was transcribed verbatim into a word processing document by a transcription specialist. After completion of the transcriptions, interviewers read these verbatim transcripts and made suggestions for revision, mostly based on their notes taken during the interview. Also verbal expressions were revised into a more formal format. For example, unfinished sentences and dangling fragments were completed in consultation with interviewers. Suggestions from interviewers were reviewed by the transcriber and a researcher, independently. When disputes occurred, they were submitted to a review meeting in which complete sentences were constructed through discussion by the study team. Each transcript was submitted to a reading test afterwards by another independent reader who had not participated in interviews. The independent reader read each transcript and made grammatical adjustments as appropriate. Any contextual adjustments were made in consultation with actual interviewers.

Data analysis was interpretative and iterative and used pattern coding and analysis to identify emergent themes (Hubermand & Miles, 1994). Once themes were decided upon each transcript was re-examined and coded for whether that themes was absent or present. To ensure inter-coder reliability

two scorers separately coded the entire data set. In the next section the emergent themes from the interview data will be fully discussed.

## 4. FINDINGS

Based on literature, online participant-observations, and in-depth face-to-face interviews, we highlight four basic types of consumer cost concerns derived by ihergo's online group buying community. Compare to traditional group buying consumers with the only goal of bargaining the price, consumers have more cost concerns to join, including profit, value, belongingness, and self-achievement.

## 4.1 PROFIT

As we have noted, most pricing research in online group buying has focused on price such as money (Chen, et al., 2007; Kauffman and Wang, 2001). Our findings reveal a typical reason why consumers would like to participate in ihergo's online group buying community is to aggregate the power of them to make a profit such as gaining volume discounts, sharing delivery fees and so forth (Anand & Aron, 2003; Chen et al., 2007). Undoubtedly, when making a profit is the main cost concern, consumers join ihergo's online group buying community by straight price concerns. Ruby (36 yrs, a working woman as a group member in ihergo's community) directly pointed out that "price" is her first cost concern and further explained how ihergo is better than bid systems from which she used to buy products. As she said,

*While I used to bid products, I usually needed to pay delivery fees by myself. As a result, price cost is added to me. Sometimes delivery fees are higher than the product itself. I felt unhappy about this. But now I can share delivery fees with my members in ihergo.*

Betty (38 yrs, a housewife, a group member; sometimes act a group chief in ihergo's community) also concerned about sharing delivery costs to make a profit for herself by participating in ihergo's community. For example,

*It's good for me to share delivery fees with my community's members in ihergo… When the more our members participate, the more power our group chief is given to bargain with sellers to offer a little cheaper price for us. Making a profit motives me to join online group buying, including providing cheaper price, sharing delivery fees, gaining special discounts, etc….I think it's a good way to save money these days.*

"Time is money." It is an old cliché that we all know and understand, but to what extend do consumers really apply it in participating and buying products in online group buying? In our data, it is found that time is highly released to be profitable concerns in ihergo's community. For most participants, time is one of the most important costs they concerned, and it means to waste less time to search for less-price products at physical stores or does not need to spend a lot of time to drive a car at long distance shops for getting cheaper price products. As Rose (30 years old, a housewife as a group member) described,

*Sometimes you know some foods are delicious, but they are located at a long distance shop which means it is inconvenient for most of us to buy them directly. If I bought too much quantity of them at a time, my husband always kept nagging me. Since participating in ihergo as a member, it is convenient to solve all of above problems. I can share all of products with my members.*

Basically, online group buying may deliver lower price benefits to consumers (Cook, 2001; Ruggullies, 2000). For most ihergo's participants to extend their thoughts, making a profit including money, delivery cost, and time affects their willing to participate and buy products through its online group buying community.

## 4.2 VALUE

Every community's culture has a set of values that it imparts to its members (Kozinets, 2001; Schau, Muniz, and Arnould, 2009). As mentioned earlier, ihergo's members are likely to be college-level women, and they are interested in discussing and buying female products and foods. Our findings show that core values such as tasting delicious food, giving special gifts to group chiefs, acquiring special services from group chiefs, and making friends with the same interests have been concerned and claimed to characterize to ihergo's community culture. The participants have their own measures to evaluate what values can balance their costs. These values are also taught by social friends in the online group buying community (Schau, Muniz, and Arnould, 2009). For example, Apple (28 yrs, an unmarried working woman as a group chief) evaluated her costs not only price is shown, but also meeting her identified values is importantly concerned.

*I like to try new things and taste new food whenever I saw a grand opening store on the streets or got new information from the Internet. I would like*

to buy food when it looks delicious from a poster in ihergo and the price is reasonable within my budget. In my past buying experiences, the more I bought from ihergo, the happier I felt to enjoy them. You know ihergo offers some products which we are difficult to get in our daily lives, or we need to wait in a long line to get them. Sometimes TV programs introduce where to eat delicacies, but we have no opportunity to buy them immediately. So the key concern for me to participate in ihergo is to form the same interest group to share together such as tasting delicious food. For most participants who usually act as group chief in ihergo's community, one of the main cost concerns is to receive gifts from sellers to expend their own values. Betty (38 yrs, a housewife, a group member; sometimes acted a group chief) explained what added value a group chief could consider as follows:

I think a group chief works very hard to help its members when buying one product. What motivates her to keep helping its members? So receiving extra gifts from sellers becomes an added-value for her to keep helping others in ihergo. As I know, some group chiefs are smart to resell the gifts to make a profit.

Every community's culture is characterized by its members' endorsement of a value system (Kozinets, 2001). Our findings find that most members are thoughtful of their group chiefs who can get gifts from sellers. Basically, group chiefs in ihergo's communities are non-profit characters. They sacrifice their time and energy to serve their members because enthusiastic values motivate them to keep going in ihergo's community. Sometimes they need to pay additional fees such as cell phone call charges, delivery fees and so forth to get orders completed. So receiving gifts from sellers or paying miscellaneous fees to group chiefs is considered to supplement their hard work. Some thoughtful members even gather together to require group chiefs to charge miscellaneous fees because they believe that it becomes a value or norm in ihergo's community (Kozinets, 2001). If any group chiefs broke this value/norm, they were seen to violate the balance. Fiona (40 yrs, a housewife, usually acting a group chief) stated her personal experience as below:

I didn't charge miscellaneous fees from my members in my early stage. Then somebody asked me the reason why I didn't charge miscellaneous fees. At first, I thought I was mature enough to serve my members of ihergo's community without charging any money. But someone scolded at me that "other

group chiefs did charge miscellaneous fees. No reason you don't charge others," I broke a good value in this community. After that, I realized that it's necessary or vital to keep this value to run our community climate smoothly and even establish our relations.

Based on above analyses, several added values or norms have been created to become its members' cost concerns whether or not they keep taking part in online group buying, then follow and enjoy its community atmospheres. Compared to price concerns, some participants tend to evaluate their costs by added values or norms to meet and maintain their beliefs in ihergo's community (Kozinets, 2001).

## 4.3 BELONGINGNESS

Although our research topic is focused on consumer cost concerns in ihergo's online group buying community, our results echo some previous "virtual" or "online" community studies (Hine 2000; Rheingold 1993; Ullman 1996; Weise 1996) that the participants who use the Internet seek not only information but also companionship, social support, emotional therapy, and a sense of belongingness. Our data strongly highlight that emotional and social concerns make our participants to constantly take part in ihergo's community after a long period of time. In other words, it is not simple for buying products to gather together online, but a sense of belongingness has been emerged and acclaimed to evaluate their costs. They love to share their daily trivial things or experiences, discuss where to get delicious food, and even gather together to meet offline for special activities. Obviously, our participants interact and communicate with each other, and even feel to develop social supports and reach their common goals. As Zoe (38 yrs, an unmarried working woman as a member) explained how she enjoyed sharing social supports with ihergo's members,

For most of our members, ihergo represents for helping each other and developing the spirit of mutual to help our community friends. As you know in Confucian culture, it is old saying goes "you rely on parents at home while we need someone to help when we left home." I always keep this in mind. So I love to share information with my community members. They seem have the same thought.

In the online group buying processes, members often gather together to become a powerful unit by sharing information about food and relevant messages to each other. Gradually, their conversations are unlimited to online group

buying. Furthermore, they are willing to talk about their private things happened in their daily lives and even share life experiences in ihergo's forums. As a result, they not only enhance understandings among other members, but also build up trust relations with them. Fanny (28 yrs, an unmarried woman, usually acting a group chief) pointed out how the processes of exchanging information and communicating with her members gradually accumulated cohesion towards its community (Kozinets, 2001).

*Nowadays, many "Otaku", whose personalities thoroughly prefer to live with computer and Internet, exist in our society. However, sometimes they are nice to share delicious food information with you. For example, one of them said, "Hey! Fanny, try this ... come on. I just got this today." So far, I've made a lot of good friends by participating in online group buying activities. I really think it's worthwhile.*

Our findings not only support that social relations emerge during the processes of communications and interactions within its members (Hine 2000, 2007; Rheingold 1993), but also we release that this kind of social relationship development is transformed to consumer cost concerns for some participants to evaluate its long term benefits. Fiona (40 yrs, a housewife, usually acting a group chief) really felt 'real' psychological satisfaction from her ihergo's community when developing a social relationship with its members. This kind of belongingness is beyond her price concerns.

*You know I got my goddaughter when involving in ihergo's community. They know I have no children. One of them said her daughter can be my goddaughter. When I met this little girl, I felt she looks nice. Gradually, she helped me take care of my six dogs. She taught me how to use computers. We seem like a family online and offline. While sometimes I was in a bad mood, I shared my feelings with ihergo's members and my goddaughter. Then, they empathetically comforted me. It is pretty good for me to be a member of them. I think it is beyond money and a place where to buy products in ihergo's community.*

A similar experience occurred at Linda (44 yrs, a housewife, usually acting a group chief). Initially, she acted a group chief in ihergo's community. To her surprise, members of ihergo's community gave her a warm support to satisfy her social needs. She emphasized that it is priceless to join in ihergo's community. As she said,

In fact, my friends told me that life means to make a profit, so acting a group chief who needs to serve all of its ihergo's members isn't the best way to reach above goal. But I found that many members are enthusiastic to participate in ihergo, it is a positive and warm power in Taiwanese society. Making money is all about time and opportunities. It's not difficult to make money, but people in Taiwan are short of interactions among people. But I can find a good spirit in ihergo. For example, some members gave me a sense of belonging to hug me when we met to pick up order products. I felt it priceless. This social relation keeps me serve my ihergo's members. Our data show that after a long period of participating, interacting, and communicating with other members, a sense of belongingness becomes a prominent and unique concern for our participants to evaluate their costs in ihergo's community. Some participants even admitted that a sense of belongingness filled in their empty spirit, and further developed interpersonal relationships. These are essential cost concerns to join and unite them closer together (Schiffman & Kanuk, 2007).

## 4.4 SELF-ACHIEVEMENT

Profoundly, self-achievement is the vital cost concern for group chiefs in ihergo's community to constantly serve other members. Group chiefs always act two roles as a person who launches an online group buying team; the other role is a buyer. Compared to general members, it is more responsible for group chiefs to convince other members to participate in their online buying teams. For ihergo's community, the positive reputation of a group chief often represents for a good brand (Schau et al., 2009). For many members, it is the first priority to consider whether they want to participate in an online group buying team at this time or not. *For example, Zoe (38 yrs, an unmarried working woman, usually acting a group chief) identified how she became a trustworthy "brand" in ihergo's community.*

*Most of my members trust me because I build up a good reputation whenever I opening online group buying teams. Now, once I launch a team to buy online products (even I don't upload any pictures of the things), just typing a few words "Zoe has tasted it, and it's really delicious! Zoe guarantees that you'll be regretful if you didn't have it this time, I promise!", the result is to surprise you. The buying team is full soon. The reason is very simple because I said so. "Zoe" becomes a good brand on ihergo's community.*

*Once everyone sees my name, they'll join and buy immediately.*

Interestingly, *group chiefs who meet their self-achievements in ihergo's community can naturally become* a trustworthy brand. This result supports the statements of Ha and Perks (2005) that brand trust on the web goes beyond consumer's satisfaction with the functional performance of the product and its attributes. Brand trust has been defined as "a feeling of security held by the consumer in his/her interaction with the brand, such that it is based on the perceptions that the brand is reliable and responsible for the interests and welfare of the consumer" (Delgado-Ballester and Munuera-Aleman, 2001). In ihergo's community, group chiefs are viewed as the brands. Since its members trust them, they gain burdens to serve others. Many group chiefs are like Zoe pointed out that it is an importance not only to achieve a sense of accomplishment, but also to fulfill welfares of members as her responsibility. For example,

*It is my responsibility to help housewives save money. It is simple that I help them buy delicious food without wasting money. This is the main purpose in my mind. For a long time, members seem to trust me. Many members come to say "Thank you, thank you very much." I feel like a squad leader. They definitely continue to participate in my team next time as long as they've joined in my team. I become trustworthy and reliable since I have always made a good benefit for my members. While I treat members as my family, they trust me, too. So I am happy to serve them.*

Although self-achievement concerns often happen at group chiefs, interestingly some members also acquire self-achievement from participating in ihergo's community. The only difference is that both group chiefs and members acquire feelings from different sources. The former mainly comes from explicitly communicating with other members, the latter implicitly causes from self-satisfaction (i.e., tasting delicious food). For example, Ella (a married woman, usually acting a member) described how ihergo's online group buying satisfied her cost concerns:

*I used to surf products from the Internet to reduce or balance my buying cost concerns. However, since I joined in ihergo, almost everything you could imagine I have tasted and bought with other members together. It satisfies my personal needs and concerns.* Self-achievement occurred at Fiona's (40 yrs, a housewife, usually acting a group chief) personal experiences. She was happy to fulfill this kind of self-

achievements.

I had no idea what a big job a group chief should do when I was not a group chief at first time. For example, a group chief needs to make phone calls to sellers and other members, pack stuffs, dispatch stuff, and be given evaluations, etc…. Now, I am a group chief, so I need to do all of above things. My husband always teases me that "you seem to run a grocery store (laughing)." But I felt happy and worthwhile when I have done all of those stuffs for other members. Those jobs cheer me up.

Our data indicate no matter whom group chiefs or members are, a certain sense of self-achievement concerns make them to keep participating in online group buying. The difference is what self-achievement motivates group chiefs is explicit in which they could directly get satisfactions from completing online group buying jobs and interacting with other members. What self-achievement motivates ihergo's members is an implicit way in which they satisfy how to conquer delicacies in every city and county without traveling here and there.

## 5. CONCLUSIONS AND MANAGERIAL IMPLICATIONS

Although the knowledge obtain from this research cannot establish a theory of consumer cost concerns, it can apparently describe some consumer cost concerns emerged from marketing exchanges in ihergo's online group buying community of CC2B e-commerce. From a consumer's point of view, price is usually defined as what the consumer must give up to buy a product or service. Previous research typically views price only in terms of dollar amount asked or paid for an items or service (Anand and Aron, 2003; Spulber, 1996). We believe price is a pivotal element in the exchange process of online group buying. However, our findings propose a model of marketing exchanges in an online group buying community of CC2B e-Commerce and highlight four basic types of consumer cost concerns derived by ihergo's online group buying community of CC2B e-commerce: profit, value, belongingness, and self-achievement (see Figure 1). These costs when paired with whatever value or utility the community offers, are a convenient way to consider the meaning of price to the consumer.

On reflection, the interpretations strongly suggest that except price concerned, belongingness is a prominent and unique concern for consumers to evaluate their costs in ihergo's online group buying

community of CC2B e-commerce. Interestingly, our results support previous virtual or online community studies that consumers love to share their daily trivial things with other members, discuss where to get delicious food, and even gather together to meet offline for special activities (Hine, 2000, 2007; Rheinglold, 1993, Weise, 1996; Weise, 1996). For some participants, belongingness concerns are found outweighed than profit concerns to develop social supports and achieve their common goals in CC2B e-commerce (Schiffman & Kanuk, 2007). In other words, marketing exchanges in an online group buying community of CC2B e-commerce are not really about price or profit concerns – they are about camaraderie.

In managerial implications, the development and maintenance of consumer brand trust on the web appears to be critically important in an online environment (Ha and Perks, 2005). Our results imply that marketers want to maintain an ongoing relationship with consumers in online group buying community of CC2B e-commerce. The positive reputation of a group chief viewed as a trustworthy "brand" in ihergo's community is one of vital consumer cost concerns for consumers to buy products through her/him. Once group chiefs formed a sense of belongingness atmospheres to gather together their members, reliable "brands" are naturally social entities created by consumers (Muniz and O'Guinn, 2001). Marketers should be aware of the changes that CC2B e-commerce has brought for the potential link between a group chief as a brand and its community social relations (Schau et al., 2009). In other words, marketer should better understand group chiefs in an online group buying community of CC2B e-commerce can be created to be brand endorsers in building and enhancing consumer relationships with companies (or products).

*Figure 1  A Model of Marketing Exchanges in an Online Group Buying of CC2B e-Commerce*
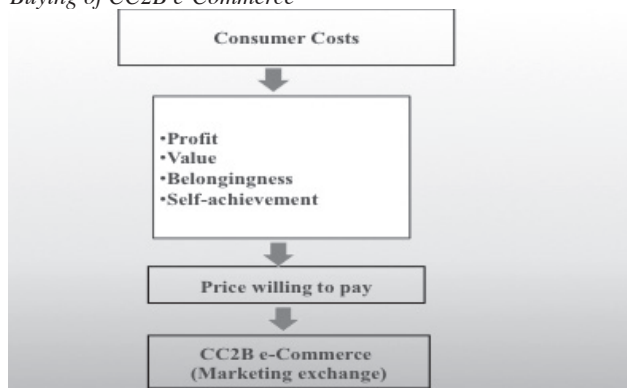
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# Who are You when You're Online? The Digital Extended Self

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## ABSTRACT

When we are online we communicate, shop, play, and represent ourselves differently than we do offline. If we extend our self via material possessions, do we also extend our virtual self via immaterial possessions? This paper outlines the changes that digitization brings and theoretical implications for updating the extended self.

## EXTENDED ABSTRACT.

Most of us now spend hours each day online responding to e-mails, texting, downloading music, ordering books, updating our social media profiles, playing online games, composing blogs, and Googling. It is time we ask how our online personas change our sense of self. This paper offers a conceptualization of the extended self in a digital world.

One difference in online versus real world self representation is that we are disembodied and sometimes re-embodied through avatars online (Markham 1998). Turkle (1995) concluded that we are often different people online than we are in real life (RL). A decade ago most of these self representations were textual. Today we also use visual representations in MMORPGs (massively multiplayer online role-playing games—Bryant and Akerman 2009; Wang, Zhao, and Bamossy 2009), virtual worlds such as Second Life (Blascovich and Bailenson 2011; Boellstorff 2008; Meadows 2008), social media such as Facebook and MySpace (Miller 2011), photo and video sharing sites such as Flickr and YouTube (Snickars and Vondereau 2010), and web pages (Schau and Gilly 2003). Although most participants in social media know each other offline (Boyd 2000), with visual portrayals of self we can dramatically recast ourselves. Photo manipulation, use of older photographs, and misstatements of age, marital status, and weight are common in online dating sites (Ellison, Heino, and Gibbs 2006). And in virtual worlds we can choose animal avatars and style ourselves in a variety of fantastic ways. Another new phenomenon with social media is the "co-construction of self." With the aid of feedback from friends and photos in which we are tagged (Mendelson and Papacharissi 2011; Walther, et al. 2008; Turkle 2011) we are often coached, shaped, and remodelled by peers. Drenton (forthcoming) found that in one month each of 13 teenage girls posted nearly 160 photos and provided 180 comments about each others' appearance and clothing. They also shared their e-mail messages from boys and sometimes co-authored responses.

The anonymity and distance provided by the Internet also makes self disclosure easier and facilitates confidence that may be lacking in real life. As Turkle (2011) observes:

Online, the plain represented themselves as glamorous, the old as young, the young as older. Those of modest means wore elaborate virtual jewelry. In virtual space, the crippled walked without crutches, and the shy improved their chances as seducers (p. 158).

There is good evidence that people online become more self-confident, risk-taking, and out-going than they are in RL (Markham 1998; Turkle 1995). Furthermore, changes in behavior initiated online often carry over into RL (Blascovich and Beilensen 2011). In addition, since we can maintain multiple avatars as well as participate in multiple online forums, games, virtual worlds, blogs, and so on, the Internet provides more opportunities to display multiple selves (Cocking 2008; Binark and Sütcü 2009)—something that the core self notion of Belk (1988) did not entertain. And in addition to presenting a virtual self, it is also possible for this virtual self to acquire virtual possessions, often in exchange for real effort and real money. Furthermore, formerly tangible possessions like letters, photographs, and books are increasingly replaced by intangible equivalents (Siddiqui and Turley 2006).

Many of our devices for communication, navigation, information seeking, entertainment, and computing have become sufficiently miniaturized that we not only carry them with us, but we feel lost without them. A smartphone allows us to contact others, surf the Internet, learn about our surroundings, get directions, play interactive games, get the latest news, read books, take and post photos and videos, and much more. As a result we are increasingly becoming cyborgs (cybernetic organisms) fused with the devices on which we rely (Richardson 2007).

What modifications are needed to the notion of the extended self in order to accommodate such digital developments? We need to recognize that self

can be plural rather than singular, even though there is still a drive for unification of these multiple selves. We need to better conceptualize how we maintain online and offline selves and how the two interact. Rather than simply extending ourselves via objects, there may be a fundamental change in incorporating these objects within ourselves—a process better conceptualized as the expanded self. Both extended self and expanded self also benefit from a more dispersed network of "friends" maintained through social media sites, online forums, and electronic communications. The Internet allows more ephemeral virtual selves and virtual possessions and also facilitates sharing tangible possessions. These phenomena may alter our sense of ownership (Belk 2010). Like the virtual corporation outsourcing its production and back office activity, as digital consumers we can outsource some of our memories to computers, hard disks, Internet search engines, cloud computing, and the like. Thus digital consumption affects the ways in which we can sustain our identities in a variety of ways. This paper outlines these developments and the changes to the notion of extended self needed to accommodate them.

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# The Moderating Impact of Cognitive Complexity and Need for Cognition on the "Match-up" Effect in Celebrity Endorsement

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## EXTENDED ABSTRACT

It is quite puzzling to consider that the celebrity endorsement literature has put the "match-up" hypothesis on such a pedestal. The "match-up" hypothesis implies that the effectiveness of a well-known endorser is a positive function of her or his congruence with the endorsed brand. Accordingly, the processing of congruent brands and endorsers is facilitated and leads to more favorable evaluations of marketing stimuli (Baker and Churchill 1977; Friedman and Friedman 1979; Joseph 1982; Peterson and Kerin 1977). For instance, attitude toward the advertisement has been shown to be more positive when the celebrity and the brand match on a physical attractiveness or an expertise dimension (e.g., Kahle and Homer 1985; Kamins 1990; Kamins and Gupta 1994; Misra and Beatty 1990; Till and Busler 2000).

The "match-up" hypothesis and its supporting empirical evidence are in stark contrast with the notion of schema congruity (Mandel 1982) from the product categorization and advertising literatures. It implies that objects that are incongruent with the processing schema can be evaluated more positively than congruent ones because the response to incongruence, in itself, generates positive affect if it is successfully solved. Results abound that confirmed this contention (e.g., Alden, Mukherjee and Hoyer 2000; Campbell and Goodtstein 2001; Meyers-Levy and Tybout 1989; Moore, Stammerjohan, and Coulter 2005; Peracchio and Tybout 1996; Wansink and Ray 1996). In fact, one recent study on celebrity endorsement found a greater effectiveness in the case of a moderate endorser-brand incongruence although no overarching theoretical explanation was provided (Lee and Thorson 2008).

We propose a conceptual framework that reconciles the findings from the celebrity endorsement and the product categorization and advertising literatures. Based on Mandler (1982), it is argued that consumers need both the motivation and a reasonable, reachable, way to resolve endorser-brand incongruence. More precisely, incongruence is likely to lead to more favorable advertisement evaluation for consumers with a high need for cognition and when the endorser is cognitively represented in a complex fashion by consumers.

## ENDORSER COGNITIVE COMPLEXITY

Cognitive complexity represents the number of discriminating dimensions that comes to an observer's mind when describing the endorser (Bieri 1955; Kelly 1955; Scott 1962; Zinkhan and Braunsberger 2004). This does not equate to the cognitive complexity of the consumer but to the complexity with which he comprehends the endorser. In other words, although this concept is consumer-based it is a manifestation of the complexity of the endorser. Accordingly, a more complex endorser is mentally represented by consumers on a greater number of dimensions than a simple one.

## NEED FOR COGNITION

This concept reflects an individual's inclination toward, and liking of, activities that involve thinking (Cacioppo and Petty 1982). It is expected to be instrumental in solving incongruence as consumers with a high need for cognition (NFC) should be better able to find ways in which the endorser and the brand can match than their low NFC counterparts. In order to be successful in their incongruence solving quest, high NFC consumers still need a potential solution to exist. As a consequence, they should be more likely to solve an incongruent endorser-band association when the endorser is cognitively complex rather than simple as the former offers more possibilities to see a match with the brand than the later; thus:

**H1**: Among high NFC consumers, endorser-brand incongruence leads to more favorable attitude toward the advertisement when the endorser is cognitively complex than when he is cognitively simple.

In the case of low NFC, consumers dislike tasks that require thinking (Cacioppo and Petty 1982) and prefer less complicated contexts overall. Hence, when the endorser-brand is incongruent (a more complex situation than when he is congruent), they will respond more positively when the endorser is cognitively simple rather than complex; thus:

**H2**: Among low NFC consumers, endorser-brand incongruence leads to more favorable

attitude toward the advertisement when the endorser is cognitively simple than when he is cognitively complex.

## METHODOLOGY

Two studies are reported that both involved a convenient sample of undergraduate students from a large state university in North America. Study 1 was aimed at validating an instrument measuring the degree of complexity of the cognitive representation of a celebrity endorser as well as selecting the actual celebrities that would be used in study 2.

**Study 1:** Four real life Hollywood actors were used to build our instrument to ensure sufficient endorser's image saliency to generate variance on the complexity measure: Russell Crowe, Nicolas Cage, Leonardo DiCaprio, and Bruce Willis. They were selected due to their similar profiles and Hollywood Stock Exchange ratings (HSX.com) at the time of the study (Elberse 2007).

Each actor was the object of a different Rep Grid (Bieri 1955; Kelly 1955) filled out on-line by 16 participants. Each Rep Grid was composed of columns representing the different aspects of the life of the actor (private life, roles on screen, role as a public personality, role as an endorser of different brands, products, or events). Rows of the Rep Grid represented brand personality traits derived from human personality research (Aaker 1997) and thus deemed appropriate for the study of human brands. Participants indicated the extent to which the personality traits described the aspects of the celebrity's life using a 1 to 7-point scale.

Adapting a methodology based on Scott (1962), cognitive complexity was operationalized by extracting from the ratings of objects the number of dimensions on which raters evaluated them. There were 6 different possible pairs of life dimension for each personality trait (e.g., public figure and actor; endorser and actors, etc.). Since there were 5 personality traits in each Rep Grid, the total maximum number of different life dimension pairs was 30 per Rep Grid.

Russell Crowe (cognitively simple) and Nicolas Cage (cognitively complex) were selected. The former yielded a score of 5.787 while the latter yielded 9.745 ($t = 3.04$; $p < .01$). Not only this pair was different on our complexity measure but it also yielded the fewer number of differences on the control variables. The only difference was the attractiveness ratings of Russell Crowe being higher than Nicolas Cage's ($t = -3.23$, $p < .001$); this was controlled in the main experiment.

**Study 2:** A total of 203 participants were randomly assigned to a 2 (cognitive complexity: low versus high) x 2 (endorser-brand congruence: low versus high) between-subjects design. Each participant received a press release regarding the endorsement of an automobile brand by a celebrity accompanied by an advertisement with a picture of the endorser next to the car. The incongruent brand was a Mini Cooper and the congruent one a Ford Mustang. The congruence of these brands with the two endorsers was pretested on a separate sample (n = 33) while ensuring that they did not differ on any other control measures. Except for the celebrity and the car, advertisements' content and layout were kept constant across conditions. Respondents had then to fill out a measure of attitude toward the advertisement (Kim, Halley, and Koo 2009). Credibility of the endorser was measured as a control variable through its 3 dimensions (Ohanian 1990).

A multiple regression of attitude toward the advertisement on the independent variables of cognitive complexity, endorser-brand congruence, and need for cognition as well as their 2 and 3-way interaction was run. The control variables physical attractiveness, trustworthiness, and expertise were also added. It revealed a significant 3-way interaction between cognitive complexity, congruence, and need for cognition ($\beta = -1.30$; $t = -3.51$, $p < .001$) as expected. In order to interpret this result, a spotlight analysis was carried out (Irwin and McClelland 2001). It showed that when the endorser and the brand were incongruent, for high NFC consumers the more cognitively complex celebrity yielded more positive attitudes toward the advertisement than the cognitively simple one ($\beta = 1.14$, $t = 2.86$, $p < .01$), in support of H1. On the other hand, for low NFC consumers the cognitively simple endorser improved attitude toward the advertisement compared to the cognitively complex endorser when the brand was incongruent ($\beta = 0.89$, $t = 2.24$, $p < .05$), in support of H2. In the congruent endorser-brand cases, no difference was obtained between the complex and simple endorser regardless of consumers' NFC level.

## CONCLUSION

Our findings are consistent with the schema congruity's view that among consumers with the motivation to solve incongruent endorser-brand associations, more positive evaluations are obtained when a solution is

within grasp (i.e., a complex endorser represented by several cognitive dimensions is easier to match with the brand than a simple one). In addition, our findings support the notion that, among consumers without the motivation to solve incongruent endorser-brand associations, affective reactions are more favorable when the context is less cognitively taxing. Hence, incongruent endorser-brand associations can also lead to positive results if consumers are willing to solve the schema incongruity and a reasonable solution is reachable. This indicates that the "match-up" hypothesis is not the panacea it is often considered to be in guiding endorser-brand association decisions.

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# An Exploration of Consumer Reactions to Social Network Advertising

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Consumers today are more social online than ever before. Nielson's (2011) report on social media uptake and usage provides a window into how today's consumer interacts with the web: social networks and social media dominate time spent online; facebook is the top web brand; and social networking applications are the third most popular activity, following games and weather. At the heart of social network and social media campaigns is consumer engagement. In order to capitalize on social media advertising investments, knowledge of consumer interaction within the medium is first necessary. The rapid increase in online and social media advertising efforts is reflected in recent increased scholarly attention. Research has explored many issues related to consumers and social media, with influence being a key concern. Studies provide insight on influential users (Trusov, Bodapati, and Bucklin 2010), understanding how influence moves through a social network (De Bruyn and Lilien 2008; Katona, Zubcsek, Pal, and Miklos 2011; Kozinets, de Valck, Wojnicki, and Wilner 2010), and how influence affects consumer preferences (Narayan, Rao, and Saunders 2011; Taylor, Lewin, and Strutton 2011). Social media research also suggests that the online environment has changed how consumers interact with, talk about, and respond to advertisements and brands. However, new knowledge is necessary to aid in understanding the broader effects of social media as a consumer engagement tool.

Segmentation is a fundamental component of marketing and drives more precise targeting and positioning. Even through a non-strategic lens, segmentation can be a powerful descriptive tool (Wedel and Kamakura 2000). Researchers examining consumers' online social behaviour have focused on general segmentation bases such as word-of-mouth behaviour (Foster, West, and Francescucci 2011; Riegner 2007), usage behaviour (Ip and Wagner 2000; Taylor, Lewin, and Strutton 2011), and motivations (Foster, West, and Francescucci 2011; Wasko and Faraj 2000; Wasko and Faraj 2005; Wiertz and DeRuyter 2007). This research is inherently valuable to understanding organic or natural consumer behaviour online, but provides only tangential knowledge of how consumers respond online to an organization's social media advertising efforts.

This research extends the aforementioned literature by offering a more nuanced understanding of how consumers engage with social media by specifically examining response to social network advertising. Rather than focus on the extent to which consumers use social media, we focus on how consumers engage with social media. Likewise, instead of a single segmentation base, as is common to many studies, we employ three segmentation bases: brand engagement, purchase intention and word-of-mouth. We contribute through a unique segmentation analysis predicated on the behaviour social network advertising will engender. Our primary research goal is to explore whether segments of consumers exist based on their level of brand engagement, word-of-mouth behaviour, and purchase intentions – all following a social network advertisement. A secondary research objective is to profile the resulting consumer segments along dimensions of both theoretical and practical importance.

The data for this study was collected from a sample of respondents (n = 883) that was recruited from an online panel of consumers. We employ Latent Class Analysis (LCA) where the latent variable (consumer segments) is considered as a categorical taking on K possible values, corresponding to K segments – with a multinomial logit model used to express the probabilities. Our estimated model includes attitudinal variables as well as motivations and demographics as covariates. In terms of the attitudinal variables used for segmentation, we assess behavioural outcomes following a consumer engaging with a brand via social networks. Specifically, we consider resulting purchase, brand engagement, and word-of-mouth referral intentions all resulting from an individual engaging with a brand via a social network. These assessments are based on self-reported ratings along a seven-point Likert scales adapted from existing scales within the literature. Brand engagement measurement was adapted from Keller's (2001) customer-based brand equity study. Word-of-mouth message effectiveness was adapted from Smith, Coyle, Lightfoot and Scott (2007). For the construct purchase intention, we developed a scale

for intention to purchase following interaction with a social network. In line with past research considering online users' motivations, and research segmenting shoppers in terms of their engagement with different channels, we investigate motivational variables as covariates which may inform consumer utility and their subsequent behaviour (Konuş, Verhoef and Neslin 2008; Korgaonkar and Wolin 1999). We adapted items measuring information, convenience and entertainment motivations from Ko, Cho and Roberts (2005). Finally, we include age, gender, education, and income as demographic covariates as these have been shown to impact consumer behaviour in an online context (i.e. multichannel behaviour), albeit with mixed results (Ansari, Mela, and Neslin 2008, Donthu and Garcia 1999; Gupta, Su, and Walter 2004; Inman, Shankar and Ferraro, 2004; Strebel, Erdem, and Swait 2004).

Latent GOLD software was used to estimate latent class clusters (Vermunt and Magidson 2005). We estimate our model for solutions with one to eight clusters and employ four criteria for model selection: comparison of the Bayesian information criterion (BIC) statistic (Vermunt and Magidson 2005; Zhang 2004), comparison of classification error (Vermunt and Magidson 2005), verification of our interpretation of the derived segments (Wedel and Kamakura 1999), and finally use of the conditional bootstrap procedure to test whether the selected model provides a significant improvement over the previous model (Vermunt and Magidson 2003).

We find clear segments of consumers exist based on the key behavioural outcomes: brand engagement, word-of-mouth behaviour, and purchase intentions. Specifically, we identify five segments. The first, we term socially-neutral shoppers, represent 29% of our sample. This segment finds social networks insignificant in terms of behavioural outcomes investigated. Further, the segment is characterised by relatively high entertainment motivation and a low convenience motivation. They are more likely to be male. Our second segment, social-enthusiast shoppers, represents 28%. This segment reveals strong ratings on the behavioural outcomes of brand engagement and word-of-mouth as a result of interacting with brands via social networking sites (and somewhat lower in terms of purchase intentions). Further, this segment is characterized by a high information motivation – a likely driver of their desire to engage with brands in this way. The third segment is socially-unengaged shoppers, representing 24%. This segment reveals relatively low levels across all behavioural outcomes and is further characterised by low information motivation. In terms of their demographic profile, this segment is most likely older and also more likely to be male. In essence, it appears that this segment does not particularly care for engaging with brands via social networking sites, likely related to their low level of desire for information. Our fourth segment, labelled social-activist shoppers, accounts for 10%. This segment displays the highest ratings on all behavioural outcomes. Interaction via social networks seems to play a vital role in this segment's offline purchase decision making, similar to previous interactions found between online and offline behaviour (Yellavali, Holt, and Jandial 2004). These shoppers display high levels of information motivation, shopping enjoyment and a desire for convenience. In terms of the demographics, this segment is largely younger and female. Finally, we find a group of consumers we label anti-social shoppers, representing 9%, who display extremely low ratings on all behavioural outcomes and are not at all motivated by interactions via social networks. In comparing these shoppers to segments found in multichannel research, they are most similar to store-focused shoppers who display a greater tendency to use traditional formats (Konuş, Verhoef, and Neslin, 2008), rather than new and emerging technologies. These consumers do desire convenience; however it is obvious that this convenience is derived from other sources. Further, these shoppers are not defined in terms of their information motivation. In terms of age, those in this segment are most likely between 25 and 34 years of age.

Our results show the existence of several consumer segments based on their level of brand engagement, word-of-mouth behaviour, and purchase intentions following exposure to social network advertising. We find two segments, representing 38% of the population that are highly engaged with, and responsive to, social network marketing and communication. This group are most likely to form relationships with brands, talk to their peers and consider purchasing as a result of exposure to advertising in the social space. A third segment, representing 29%, expressed a relative level of indifference in terms of their social media brand engagement across all behavioural outcomes. Almost two thirds of the population reported low levels of willingness to engage in this way, and subsequently low levels of behavioural response. Our research

therefore demonstrates that differences exist in the consumer population based on their willingness to engage with advertising via social platforms, as well as their subsequent behavioural response. This research provides an initial view into social media advertising effectiveness and segmentation based on these effects. These insights are particularly useful to managers at a time when many brands are striving to develop social media strategies and account for, as well and better understand such investments.

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# How Multi-acculturation Shapes the National Identities of Global Cosmopolitans

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This paper focuses on the allegiances between globally mobile consumers and national cultures. We extend current research beyond the dual-context territorially-based perspective of migration and acculturation and investigate the consequences of the multiple acculturative processes of these circulating consumers. Using a hermeneutic approach, we found these circulating consumers develop paradoxical relationships to national cultures.

Global cosmopolitans are "members of a talented population of highly educated, multilingual people who have lived, worked and studied for extensive periods in different cultures" Brimm (2010, p.4). They represent a growing phenomenon of globalization that reflects the global mobility of skilled labour. Before the last 4 decades, global mobility was a reality only to global super elite. However, globalization and advances in technology, communication and transportation have intensified the circulation of goods, services, and people (Appadurai 1990; Ger and Belk 1996; Sherry 1998), and now global mobility has become also a more pervasive condition of the global managerial and creative classes of "individuals who exhibit elements of multiple cultures" (Craig and Douglas 2006,330). Despite their affluence, influence, and growing presence in the world, global cosmopolitans have not yet received full attention from marketing scholars. In particular, there is a dearth of studies that look upon the relationships between global cosmopolitans and national cultures. Thus, the purpose of this research is to examine how consumers' transnational mobilities and their resultant multiple cultural adaptations impact on the national identities of global cosmopolitan consumers.

Four groups of studies inform the theoretical framework of this paper. First, the marketing literature has extensively discussed the importance of national culture to consumer behaviour. Various studies on country-of-origin, product ethnicity, consumer ethnocentrism, foreign animosity (Batra et al. 2000; Shimp and Sharma 1987; Usunier and Cestre 2007) have shown the relevance of understanding the relationship between a product's origin and consumers attachments to and perception of national cultures. Despite their importance, these constructs depend on the assumption that consumers have a stable relationship to national cultures. Under the context of global mobility, this assumption is likely to change. Second, studies on consumers' cosmopolitanism have examined the ideological (Holt 1998; Thompson and Tambyah 1999) and behavioural (Cannon and Yaprak 2002; Riefler, Diamantopoulos, and Siguaw 2011) aspects of cosmopolitanism. Consumer cosmopolitanism is usually discussed in relation to other constructs such as materialism; ethnocentrism and preference for global brands. Thus, the relationship between belonging to a national culture and having cosmopolitan dispositions is rarely discussed.. Third, there has been a growing stream of studies on global consumers and global consumer culture (Alden, Batra, and Steenkamp 1999; Steenkamp and de Jong 2010). However most studies have focused on examining consumers' attitudes and preferences to local or global products, instead of looking at global consumers as a consequence of globalization processes (e.g. global consumers as a result from global mobility). These studies tend to ignore that the national dimensions persists in global consumer culture. In particular, the empirical examination of global consumers in terms of their allegiances to national cultures has not been present in these discussions (Craig and Douglas 2006).

Finally, the acculturation literature investigates the relationships between immigration and cultural adaptation to home and host cultures. Although the acculturation literature has examined how consumers' use of products and consumption practices to negotiate relationships to different cultural contexts, it has only focused on movement from one context to another (Askegaard, Arnould, and Kjeldgaard 2005; Mehta and Belk 1991; Penaloza 1994). It has not yet examined the case of consumers who circulate (i.e. frequently shift locations and cultural contexts) such as global cosmopolitans. Research in anthropology suggests that circulation is different from immigration as it has " its own forms of abstraction, evaluation, and constraints" (Lee and LiPuma 2002,6). Thus the purpose of this research is to investigate how the circulation of global consumers (i.e. global cosmopolitans) impact on their sense of belonging and expression of relationships to national

cultures.

Using theoretical sampling we focused on professionals with tertiary degrees who have lived in at least 3 different countries for more than one year, seeking diversity in terms of country of origin, occupations and geographic mobility paths. Thus, we interviewed 38 global cosmopolitans, who have lived in 3 to 8 countries, representing 20 different countries of origins, ranging from 25-55 years old, 19 having a partner and 19 single or divorced. We used semi-structured , long interviews (McCracken 1988) starting with grand tour questions about our informants' motivations for living in different countries. As interviews were transcribed, we used the life-world accounts of participants to analyze structural categories of discourse which were relevant to the research questions we had proposed to look at, that is "How multi-acculturation affects the national identities of global cosmopolitans?".

Findings show that multi-acculturation, which results from consumers' global mobility, is different from processes of acculturation, which results from single-movement immigration First, participants reported multiple stories of situations in which they expressed (and in some cases, actively sought) allegiances to former host cultures (instead of their culture of origin or current host culture), especially if their stay at different host cultures happened in a very early stage of life, or during the schooling age, or any other aspect that induced consumers to socialize on a deeper level with those cultural systems. For example, it was common to see circulating consumers supporting sports clubs or engaging in consumption practices learned during their stay at some other country. Some of these allegiances express tastes that were formed during that period and therefore associated with life in that country. However, some other expressions of allegiances do not convey attachment, longing or nostalgia (Mehta and Belk 1991). Instead, these allegiances are expressed as a result of the benefits they might bring to consumers or the risks they might help avoid in each context. For example, Linda, a Chinese-British citizen who lives in Canada, uses her capabilities of expressing allegiance to the three cultures to take advantage of social situations in which showing belongingness to one or the other is more desirable. These allegiances are expressed not only though language but also through consumption practices related to dressing, eating, socializing and entertaining. Memberships to different national cultures are claimed in order to

help consumers deal with contextual goals. In that sense, national identities become resources to help consumers achieve their temporary goals. In a more general sense, we observe that circulating consumers invert the relationship of belonging to a culture. Instead of actually belonging to a national culture (i.e. behaving and being under the influence of a national culture's way of being, having and doing), there is a perception that national cultures "belong" to consumers, as they can claim/express any of their embodied allegiances when they want to (Hedetoft and Hjort 2002; Oswald 1999) .

Additionally, there is also a weakening of the strength or duration of the performance of national allegiances, as consumers need to keep flexible and be able to quickly stop displaying one allegiance to embrace another, if contingencies change. Circulating consumers do not like to be associated with only one culture, and they find different strategies to show that they can be members of more than one culture. Alternating consumption practices and possessing products from different cultures are ways of demonstrating memberships to different cultures (Brimm 2010).

We also observed that the investigated circulating consumers express high cultural reflexivity. This cultural reflexivity was expressed through three different aspects: 1) Awareness that one's own cultural identity may vary and that it can even be multiple; 2) Awareness that different cultural identities are perceived differently by different people or in different contexts; 3) Realization that cultural identities may be learned. Consumers with high cultural reflexivity tend to question the taken-for-granted culturally-given markers of what is good and what is bad, and instead, valorize first-hand cultural knowledge over knowledge gained from others. Furthermore, high cultural reflexivity and multiple cultural belonging seem to free consumers from having to conform to the conventions of their culture of origin. However, when allegiances to national and ethnic cultures become a choice, selecting which one to enact may demand effort from consumers. The more reflexive they are about the outcomes of expressing certain allegiances over others, the more they feel the need to monitor their behavior to express beneficial allegiances and downplay the ones that may not favor them (Giddens 1991). However, monitoring identities requires work from consumers in choosing and evaluating the consequences of their choice, which may sometimes be an unwanted consequence

and be felt as stressful by consumers.

In short, this paper focuses on relationship between circulating consumers (i.e. consumer who move constantly across countries) and national cultures. Some key differences were found in relation to immobile and immigrant consumers. First, in terms of cultural identity, we observed circulating consumers develop high cultural reflexivity, which tends to help release them from having to conform to the conventions of their original cultures. We also observed a reversal of ethnic and national belonging, the simultaneous multiplication and weakening of ethnic and national allegiances and the development of new (uprooted) and more stable cultural identities that are not linked to national cultures but that are nonetheless related to them. Circulating consumers go through intense identity work to manage their various national and ethnic identities while pursuing their uprooted identities. Awareness of their cultural context and outcomes of expressing their allegiances to each national cultures in specific situations help them to select (consciously or unconsciously) which allegiance to claim and express. This aspect is in sharp contrast with studies from the acculturation literature; where consumers are portrayed as using consumption practices to either ground themselves in their home country or in their host country (Askegaard et al. 2005; Mehta and Belk 1991; Oswald 1999; Penaloza 1994).. On the contrary, global cosmopolitans do not need to ground themselves anywhere. They manage symbolic signs of belongingness (i.e. symbolic aspects of consumption that signal their membership to a particular national group) in order to express integration or differentiation, in pursue of contextual goals and needs. Their previous experiences in each culture - mediated by processes of socialization - help them with the performance of each membership, by providing them with the necessary knowledge and skills to perform the desired national memberships in each situation. Thus, nationality becomes a resource that helps consumers' to achieve their temporary goals.

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# Adolescent's Art Consumption Features: An Emerging Target for Museums and Art Marketing Professionals

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## ABSTRACT

Young consumers art consumption is receiving increased interest from marketing researchers due to the relevance of this target to museums and art galleries. However, studies focusing on this topic in marketing are very limited and the existing works in arts marketing have a narrow view. This article uses 32 in-depth interviews with adolescents aged 13-18 and looks at their perceptions of art museum and exhibition galleries. It examines the main art consumption features among adolescent youth subculture. The findings showed that adolescent perceptions of arts and exhibitions do not match standard adult and museum art criteria. The results suggest new ways of engaging with adolescents in the field of arts.

## EXTENDED ABSTRACT

The potency of young consumers especially adolescents in the arts marketing literature has received only limited attention by marketing and consumer researchers. An exception is a very recent work by Gofman et al. (2011) studying the key factors driving the interest of young people aged 18-35 in museums and exhibitions which found that attracting young people to attend an exhibition is not an easy work, as marketers have to deal with their existing habitual preferences related to youth consumption features, social pressure, and free time divided between media use and internet. Mason and McCarthy (2006) explored the relationship between museums and art galleries and their potential audiences in particular the under-represented sector of young visitors aged 16-26. These two studies related to marketing and consumer behavior literature, tentatively suggest that there is a huge gap between art museum offers and young consumers expectations and perceptions of these offers. This might be explained by the differences in the perception of galleries and art museums, which vary with age. The studies listed so far bring a useful understanding of arts and museum marketing but they do not yet provide a global vision of the young consumer experience and how it can best be marketed. Moreover, hardly any studies have been conducted on the adolescent market and on the reasons why they lack interest towards museums.

Do younger visitors have a limited interest in art? Are museums, in themselves, sites that don't match adolescents' expectations? By looking at a relatively unexplored market, that of young visitors, this study aims to bring a unique approach to understanding the experience by integrating a new aspect, the subculture of the visitors concerned. This study aims to bring a broader outlook on what constitute the daily environment of younger visitors and how we can inspire ourselves from this knowledge to develop museum service provisions more adapted to their needs. As such, the article brings a unique and deeper analysis of young consumer behavior, in relation to art consumption, but that could be expanded to other areas of consumption. This research will investigate the specificities of this market to understand how they differ from other types of customers. The authors of this paper argue that for an efficient art marketing, the adolescent subculture needs to be fully understood. All the studies listed so far concern either families and mostly adult visitors, whereas adolescents, through their different vision of life, might need to be treated differently from other visitors.

A qualitative study based on in-depth interviews (Chrzanowska 2002) was conducted by the researcher among a sample composed of 32 French adolescents aged 13-18 with equal number of male and female (16 males and 16 females). It is a relevant sample in studying the key habitus of museum visiting. The data collected were analyzed using the interpretive analysis to explore how adolescents perceive exhibitions and art galleries. The results of this research show that adolescents spend their free time with their friends on and offline and use it essentially for shopping, cinema and sport. Leisure activities such as reading, playing a music instrument or cooking are marginalized within French adolescent subculture and depend on their family social background and the parental style. Regarding art activities, adolescents perceive museum visits as a part of their homework and not as a leisure time. Thus, adolescents' perceptions of art museums and exhibition galleries may be divided in two types: enthusiasm and reticence. Enthusiastic adolescents both male and female were opened-minded and motivated to learn more about arts and exhibitions.

For these adolescents, art is regarded as accessible to youth who can feel very close to their favorite artist's universe especially in the domain of contemporary and urban arts. Thus, they don't perceive contemporary exhibitions as traditional arts dominated by adults' values but as an extension of their own identity and a way to express themselves through the symbolic meanings expressed by the artist. In spite of this, the second profile represents reticent adolescents who perceived art culture as boring and expressed their rejection of exhibitions and art culture in general. Both male and female adolescents criticized the universe of art and gallery exhibitions and were proud to show their lack of interest and lack of knowledge about art culture because it is not perceived as a valuable activity within their peer groups. These findings follow the logic of precedent works on young people and students' art expectations. Gilmore and Rentscheler (2002) suggested that museums should innovate and pay more attention to the opinions and preferences of students (Griffin 2004). Interactivity and collaboration might also increase young people interested to attend (Anderson and Lucas 1997; Goulding 2000). Hornecker and Stifter (2006) found that the elaboration of digitally augmented exhibitions could lead young visitors attending in groups. Food is also considered as a crucial factor enhancing young people involvement within museum experiences (McIntyre 2008). While young consumers are interested in socialization within their consumption experiences, social interactions might also be taken into account by museums (Hooper-Greenhil 1999; Thyne 2001).

The results of this research suggest a youth-centric approach, which distinguishes between adult's definition of art consumption and adolescent's perception of what art consumption is supposed to be. Thus, adolescent's art consumption experience within the youth subculture was shown to be anchored within the adolescent environment. The adolescent-centric logic within the arts consumption context is taken into account in order to underline the gap existing in arts marketing strategies targeting young visitors especially adolescents. This approach is a new challenge for marketing and consumer researchers because it calls for a new orientation in terms of arts marketing. It identifies the adolescent perception of arts consumption as a dimension embedded within the youth subculture that is shaped by the consumer society where arts consumption is dominated by adult's culture and a marketing approach based on adult's expectations. Further research should explore the differences in perception of art museum and exhibition galleries, which may vary with age. Our findings suggest that art-marketing researchers should focus more on the youth target and the experiential, emotional and artistic consumption fields by exploring different kinds of arts and exhibition experiences and their perceptions from the perspective of young consumers identified within their consumption subcultures.

## INTRODUCTION

Art marketing has not been the object of much attention so far despite the fact that art, culture and its transmission through events, museums and various forms of displays is essential to contemporary societies. Indeed, art museums have an essential role to play in terms of pertaining our culture and transmitting nations' heritage and identity consciousness to all generations, national and international (Cooke and Mclean 1999; Kaplan 1994; Scott 2009). Most studies show that museums' values and necessity are well acknowledged by society. For instance, there is a fairly widespread recognition among the population of the use, value and need to maintain the existence of museums (Scott 2009). Moreover, art in itself is a domain that is associated with sophistication, high culture, and exclusivity (Hagtvedt and Patrick 2008). Specific studies on museums' memberships also confirm that museums have kept a strong status symbol in contemporary societies (Bhattacharya et al. 1995; Paswan and Troy 2004; Slater and Armstrong 2010). In a study on museums' membership motivations, Paswan and Troy (2004) indicate that social recognition is a central element associated to museums' membership along with strong connections to hedonism and preservation of art. The tangible benefits associated to memberships are in fact minimal for high-end users in their decision to adhere to such a scheme.

Museums are one of the prime institutions to diffuse knowledge about art, culture and history to the public but their hegemonic position has gradually been challenged by various competing forces. One of the biggest challenge facing museums, is the gradual decrease in public support/funding which has fuelled an acute necessity to actively seek funding, especially through visitors' entrance fees and purchases. Museums also need to integrate that they are now competing with a broader spectrum of leisure activities including reading, sports, video games or

simply shopping. The advent of technology and all forms of interactive devices cannot be ignored by museums either and in order to remain competitive museums have had to innovate drastically. The ways in which museums are conceptualized and diffuse knowledge has also often been criticized for being elitist and it is argued that reconceptualising the museum experience might contribute to widening its attractivity towards a wider public. For these various reasons, adopting a marketing vision to museums' provision has become a central issue to their survival but yet an area that should deserve further attention from marketers (Butler 2000; Cox et al. 1998; Kotler and Kotler 2001).

The sphere of visitors' attractions has tremendously evolved over the last two decades. While art and historical/cultural museums used to be prime visitors' attractions, gradually other sites have appeared on the market. For instance, science museums have expanded rapidly and not only do they attract visitors and detract them partly from other museums, but they have also developed an interactive approach to knowledge transfer that has met a great success with the public. This approach is also known as "edutainment", a contraction of education and entertainment. For instance 3D vision, interactive displays, possibilities to use different senses (smell, taste, touch…), live interpretation have all changed the concept of the visitor experience. This dimension has been challenged in art museum where the distance with paintings and sculptures and the more static dimension of the exhibits has limited the possibilities of interactions that scientific museums can more easily create: "The lack of street sounds, the presence of guards, the prohibition against touching, reinforced through signs, all curtail the tactile and other sensory apprehension of the artifacts" (Joy and Sherry 2003, p. 265). In 2010, O'Reilly established a mapping of the arts' marketing literature. This present article adds a new dimension to this vision by looking not only at the arts itself but also at the tools (essentially museums) through which it is diffused to the public. By integrating also the tourism and museum literature, this article brings a deeper understanding of the scope of marketing in understanding better the consumer experience.

Taking into consideration these various evolutions, it is essential to understand how the customer experience is designed in the 21st century and how this can impact on the types of visitors attracted to the sites. By looking at a relatively unexplored market, that of young visitors, this study aims to bring a unique approach to understanding the experience by integrating a new aspect, the subculture of the visitors concerned. So far most studies have looked at the customers in relation to the experience itself. This study aims to bring a broader outlook on what constitute the daily environment of younger visitors and how we can inspire ourselves from this knowledge to develop museum service provisions more adapted to their needs. As such, the article brings a unique and deeper analysis of young consumer behavior, in relation to art consumption, but that could be expanded to other areas of consumption.

## LITERATURE REVIEW
### Arts consumption in marketing and consumer research

The justification of developing a specific marketing approach for art museums has been motivated by the specificities of this mode of consumption. Already in 1982, Hirschman and Holbrook, in their article on experiential consumption, had identified the arts as a field requiring a specific understanding of its consumption. In this line of thoughts, museum visits are conceptualized as an object-based organization but where the experience is intangible and emotionally laden. Indeed, the majority of studies that have looked at the experience within museums have strongly emphasized the central role of emotions in its consumption (Goulding 2000; Joy and Sherry 2003; McLean 1994; Prentice et al. 1998; Scott 2009; Soren 2009). In fact, it is the whole experience within museums that has strongly evolved over the years. Interpretation has not only changed the nature of the experience, but museums have also gradually been conceived to provide wider types of experiences that originally thought.

For instance, Lumley (1988) conceives that the object of museums now goes well beyond its role of objects' displayer. They have also developed a role of communication and created sites where consumers equally come to communicate with each other, study, eat, meet people, hold discussions, etc. Whilst the educational component of those sites remains important, "many attractions consider that visitors come to participate and interact, rather than simply look at exhibits and read the associated notation" (Bonn et al. 2007, p. 346).

Globally, several studies have emphasized that, aside from learning, other motivations were equally important. Sheng and Chan (2012), in a study

on five Taiwanese museums have clearly identified that one of the prime dimension of visitors' experience was to seek "easiness and fun" and "historical reminiscence". However, while older visitors put more emphasis on the later, younger visitors, not surprisingly expected some form of cultural entertainment. Prentice et al. (1998) have identified that "to be entertained", "a social family outing" or simply because they were "on holidays" represented important motivations of museums' visitors. These results were echoed by Kotler and Kotler (2001) who also emphasized the social dimension of the visit and noted that appreciating the surroundings and the experience in itself were important motivations. The notion of spending an enjoyable time, strolling along the museum, getting a feel of the place were also significant characteristics of museum visitors (Kotler and Kotler 2001; Miles 1987).

Gil and Ritchie (2008) summarize this motivation range into four dimensions: richness of the experience (entertainment and learning), socializing, specific exhibitions and being on holidays. Beyond the fact that consumers might have different expectations, the design and contents of the displays are also essential (Screven 1986). For instance, the concept of atmospherics is one that should deserve further attention since it has been identified as a strong constituent of the visitor experience (Bonn et al. 2007; Hede and Tyne 2010).

Finally other researchers have simply reminded the truly hedonic dimension of museum visits, where visits produce a genuine and actively sought after immediate pleasure (Glynn et al. 1996; Hopkinson et al. 1999; Paswan and Troy 2004; Slater and Armstrong 2010). Other authors even investigated museum visits as potential transformative experiences (Soren 2009) and as a translation of the extended self (Chen 2008). All together, these studies clearly identify that the motivations to visit museums are varied and that different types of experiences can be sought after. Most importantly, one has to keep in mind that those experiences are hedonic and highly emotional and museums are not simply associated to knowledge acquisition, they can also provide sociable experiences.

When looking at the other side of the consumer market, studies concerned with non-consumers are not numerous but they do bring interesting information. Concerning attitude to arts, non-visitors usually mention reasons of three types: practical constraints (lack of time, lack of money,

transport costs, problems of access, etc.), educational and emotional constraints (lack of socialization with museums as children, unable to understand what is shown, perception of class distinction) (Arts Council of Great Britain 1991). Another study on American non-visitors to museums identified that the motivations behind their behavior translated a reject of museums, perceived as formal, inaccessible and incapable to allow for social interactions and active participation (Hood 1983).

The studies listed so far bring a useful understanding of arts and museum marketing but they do not yet provide a global vision of the customer experience and how it can best be marketed. Moreover, hardly any studies have been conducted on the adolescent market and on the reasons why they lack interest towards museums. Do younger visitors have a limited interest in art? Are museums, in themselves, sites that don't match adolescents' expectations? The second part of this study will investigate the specificities of this market to understand how they differ from other types of customers. The authors of this paper argue that for an efficient art marketing, the adolescent subculture needs to be fully understood. All the studies listed so far concern either families and mostly adult visitors, whereas adolescents, through their different vision of life, might need to be treated differently from other visitors.

## MARKETING LITERATURE

The potency of young consumers especially adolescents in the arts marketing literature has received only limited attention by marketing and consumer researchers. An exception is a very recent work by Gofman et al. (2011) studying the key factors driving the interest of young people aged 18-35 in museums and exhibitions which found that attracting young people to attend an exhibition is not an easy work, as marketers have to deal with their existing habitual preferences related to youth consumption features, social pressure, and free time divided between media use and internet. Mason and McCarthy (2006) explored the relationship between museums and art galleries and their potential audiences in particular the under-represented sector of young visitors aged 16-26. These authors found that young people's ideas of what constitutes modern, relevant art do not match standard art criteria, and that most exhibitions and marketing methods do not match with their worldview. These two studies related to marketing

and consumer behavior literature, tentatively suggest that there is a huge gap between art museum offers and young consumers expectations and perceptions of these offers.

Additional studies in the multidisciplinary literature in human science disciplines such as tourism, anthropology of art and sociology, emphasize this gap and propose to explore the expectations, behaviors and perceptions of a new emerging target, which includes young consumers. These studies explore also the offer side to understand museums and galleries strategy to attract young people. Luke (2002) pointed out the fact that museums are particularly interested in attracting young attendees. Although the young consumers constitute an important target for art professionals and marketers, studies show that this generation is underrepresented among museums' visitors (McLean 1997; Black 2005).

This might be explained by the differences in the perception of galleries and art museums, which vary with age. Caldwell and Coshall (2002) found distinct differences in the individual's mental constructs associated with galleries in visitors aged under and over 35 years. These authors emphasized the fact that younger visitors may use more aspects of their experience and youth subculture when evaluating the 'goodness' galleries while older visitors tended to have fewer criteria. Bartlett and Kelly (2000) studied another aspect of young visitors, which is the psychological barrier or the 'threshold fear' of young visitors who do not feel comfortable when entering museums (Prince and Schadla-Hall 1985; Fleming 1999). These authors found that youth audiences have poor perceptions of museums, which they see as boring, didactic, unapproachable and preoccupied with the past, in contrast to young people's interest in the present and future. These results reflect the huge gap existing between culture of museums and the adolescent youth subcultures.

## METHOD

A qualitative study based on in-depth interviews (Chrzanowska 2002) was conducted by the researcher among a sample composed of 32 French adolescents aged 13-18 with equal number of male and female (16 males and 16 females). It is a relevant sample in studying the key habitus of museum visiting. Mason and McCarthy (2006) pointed out the fact that the visit of museums is not related to class culture but to age culture. Thus, we argue that adolescents have their own art, a symbolic culture that finds expression in alternative images, music or fashion that is not reflected in the official art world (Mason and McCarthy 2006).

Adolescents recruited for the study were from different social backgrounds. They were recruited through social and familial connections of the researcher, who has given authorization from parents to conduct interviews. The study was conducted from October to November 2010. The interviews facility used a classroom at the university and a conference room at the library. The interview discussions generally lasted around one to two hours with each participant.

The purpose of the study was described as a research project on the youth cultural and leisure practices and how adolescents perceive art museums and gallery exhibitions. Each interview began with a question asking the participants to "tell us about what they do during their free time: weekends, holidays, after work…". The interview guide was divided into three parts. The objective of the first part was to explore the consumption activities and leisure practices of adolescents. The second part focused on their perceptions of art galleries and museum exhibitions. The last part was projective and encouraged participants to give museum professionals and marketers recommendations and advices to meet adolescents' expectations in terms of culture and art consumption. The participants were promised anonymity and no remuneration was provided for their participation. However, to create a friendly and comfortable environment, they were offered beverages and biscuits. Each discussion was conducted by the researcher who videotaped and transcribed the whole data.

Interpretive analysis of the data collected was conducted to explore how adolescents perceive exhibitions and art galleries. Before coding the data, we explicated, explained and explored the narratives in the transcription following hermeneutic triad (Czarniawska 2004). First, an intratextual analysis was conducted to understand each adolescent's perceptions. Some of the conceptual categories used included the cultural and artistic activities of adolescents, the perceptions of art galleries and museum exhibitions, their definition of the ideal exhibition according to their own youth subcultures. Next, an intertextual analysis was conducted through the comparison of conceptual similarities and differences among the sample composed of 32 adolescents, and sorted emergent themes defining the

main features of adolescent art subcultures. During this phase, an iterative hermeneutical approach of shifting back to the narratives and literature allows us to identify evidence and establish a coherent adolescent art-marketing interface. Throughout the iterative process of analyzing and generating main key drivers, the primary data were used to challenge and enrich the evolving framework and ensure the accuracy of our findings (Thompson 1997). All the names that appear in this paper are pseudonyms, followed by the informant's age.

## FINDINGS

### Leisure culture versus art culture: an adolescent view

The data show that today's adolescents seem to have more time and less responsibility and supervision than adults. They spend their free time "hanging out" with their friends, shopping, and surfing online (90% of the adolescents interviewed have a Facebook account and 70% of them use it several times a day comparing to 30% who use it once a week). They also expressed their desire to stay alone without doing anything. These adolescents distinguish between social and individual activities, but they are interested in both activities at the same time. This paradoxical behavior of today's adolescents can be explained through the use of internet on their cell phones when they are with their friends: "you know, sometimes I just prefer to stay with my mates and we do fun things, and sometimes I prefer to stay by myself on my computer and chat with friends on Facebook. But sometimes I can also do both, I mean to be with my friends and chat with other friends on my iPhone, so I am at the same time alone and with my friends, you see what I mean, I find it cool" (Sarah, 13).

The notion of peer group is very important for adolescents who have a preference for group activities such as cinema and sport. They go to the cinema twice a month and they choose the film according to actors, critics, and accompanying persons: "I can go to Disneyland in Paris with my parents and my brother, but for cinema I prefer to go with my friends" (Capucine, 16). Although, they prefer sharing their free time with their friends, adolescents also spend time with their families (parents, brothers and sisters): "I also spend a lot of time with my family and my brother, we do fun things, family type activities" (Antoine, 16). Other leisure activities and cultural practices such

as reading, playing a music instrument, theater and cooking have been mentioned by adolescents especially girls but are not very popular among this age group. The social background of this group of adolescents aged 13-18 years old does not impact their choices and the type of the activities they practice in their free time. However, concerts and festivals depend on the profession and the social class of adolescents' parents. These adolescents attend international festivals if their parents can afford it and keep their pocket money (average of 50€ per month) to attend their idols' concerts: "it depends whether my parents can give me money for a concert or not. Otherwise, I save my pocket money since I am a Rihanna fan and I am impatiently expecting her concert" (Susan, 15). Museum visits are not popular among this age group; adolescents may attend art museum and exhibitions if it's through school visits with their teachers. The main objective of these visits is to teach adolescents the history of art civilization and art exhibitions: "I am not really interested in museums and exhibitions, it's not my cup of tea. We do that at school and I find that terribly boring but it's obligatory since it's part of my classes, so I don't have a choice. It's work, not really leisure" (David, 17).

To sum up, adolescents spend their free time with their friends on and offline and use it essentially for shopping, cinema and sport. Leisure activities such as reading, playing a music instrument or cooking are marginalized within French adolescent subculture and depend on their family social background and the parental style. Regarding art activities, adolescents perceive museum visits as a part of their homework and not as a leisure time.

### Adolescents' perception of arts and exhibitions within their youth subculture

While asked to give names of artists they know, the adolescents listed a variety of names that can be considered from an adult perspective as a non-art culture. These adolescents defined the artists according to their own perception of what art culture is or should be from a youth perspective. Five categories of artists have been identified. The first category of artists is related to music. This category includes names of French and international singers as well as underground Japanese singers given by adolescents: "for me, those that I really consider as artists are: *Michael Jackson* who is an international and intergenerational icon, some American and British such as *James Blunt, Muse, Akon, Shakira, Rihanna,*

*Nirvana*, our national *Johnny* (Johnny Haliday) an intergenerational French icon and also *Grégoire* (an artist produced by people online who invest money on his album by helping him recording his album in 2008. It's an online phenomenon, which has become very popular among adolescents)." (Thomas, 15)

The second category represents artists who are painters. The most cited among the French adolescents was Picasso. This category includes other popular painters: "I can give you names of painters such as *Van Gogh, Monet, Dali* and *Michael-Ange*" (François, 16). Most of the names mentioned by our adolescents are taught at school. This category is followed by a third category of artists which is composed of writers. The names of writers given by the French adolescents are: *Shakespeare, Victor Hugo, Zola* and *Proust*. These writers and novelists are a part of the basic French culture and are taught in French high schools.

The fourth category of artists includes film actors. The names given by adolescents refer to intergenerational American actors and young actors: "There are actors such as: *Clint Eastwood, Brad Pitt, Will Smith, Ashton Kutcher, Jessica Alba, Eva Longoria*, I saw her in *Desperate Housewives*" (Angélique, 16).

The last category of artists defined by adolescents is composed of footballers, composers and humorists "for me, the most popular footballer is *Zidane* (an international and intergenerational French football star) and there is also *Gourcuff* and *Lissandro* (local young footballers of *Olympic Lyonnais*). The comedians are also artists, such as *Gad Elmaleh* and of course there is *Mozart*" (Simon, 17).

These five categories of artists represent the way today's adolescents perceive art culture and artists within their own youth subculture. The definition of art culture is hybrid and reflects a juxtaposition of different opposite values (footballers and composers are both perceived as artists). The adolescent' definition of arts is then fragmented and ambivalent. It is also entirely different from adults' definition, which is based on a traditional view of art culture.

The data show that the French adolescents do not often visit museums. The rare visits they have done were with their parents or their teachers and were considered as a part of their curriculum "yes, I rarely go to the museum and it is often within the framework of my school activities, or sometimes with my parents" (Charlotte, 16). Thus, well-educated parents (doctors, professors, lawyers…) are influential social actors who push their children to educate themselves by practicing cultural activities such as reading novels, visiting museums and attending exhibitions. The majority of adolescents, however, consider this activity as an obligatory task they should do to satisfy adults' expectations (parents and teachers): "me I don't go to museums because it gives me headaches! I am weird no?" (Sophie, 13).

On the other hand, some of the adolescents interviewed mentioned that they could make a decision by their own to visit museums if the exhibition theme or the artist match their interest. "I go to the museum if the exhibition fits my interest in order not to stay locked in my own bubble, you see!" (Charlotte, 16), The reason why adolescents do not visit museums might be their ignorance in terms of art culture. The data revealed that adolescents do not have the adequate framework to understand tacit and explicit dimensions expressed by the artist: "One day I've attended an exhibition in Lyon of an artist called Ben, I found it good but I did not have a clue about the purpose of his art or the message he tried to communicate, I guess the guy is really mad, he's so *Spacy* and his art is a kind of bizarre messages written on blackboards" (Ludo, 13).

To sum up adolescents' perceptions of art museums and exhibition galleries may be divided in two types: enthusiasm and reticence. Enthusiastic adolescents both male and female were opened-minded and motivated to learn more about arts and exhibitions. For these adolescents, art is regarded as accessible to youth who can feel very close to their favorite artist's universe especially in the domain of contemporary and urban arts. Thus, they don't perceive contemporary exhibitions as traditional arts dominated by adults' values but as an extension of their own identity and a way to express themselves through the symbolic meanings expressed by the artist. In spite of this, the second profile represents reticent adolescents who perceived art culture as boring and expressed their rejection of exhibitions and art culture in general. Both male and female adolescents criticized the universe of art and gallery exhibitions and were proud to show their lack of interest and lack of knowledge about art culture because it is not perceived as a valuable activity within their peer groups.

***Toward a bottom-up approach to match adolescent's art and exhibition expectations***

The main obstacles that retain adolescents away from art museums and exhibitions are: budget and their lack of arts knowledge: "I don't go to museums because it's expensive and moreover I don't understand anything, it's far too complicated for me" (Antony, 15). The gender comparison showed that females were more curious and enthusiastic than males (about 70% of the sample) to learn about arts "I am very keen I like it but my boyfriend does not like it at all, it does his head in" (Jessica, 18). The low level of art knowledge expressed by adolescents is also an obstacle because they perceive arts as being part of the adult's culture that they should transgress and keep away from their consumption and leisure practices. For these adolescents, art exhibitions are boring and do not match their youth interests.

Although, some efforts have been done to promote art exhibitions through social networks such as Facebook to reach adolescents, the data revealed that about 80% of the informants did not know about the existence of the exhibition Facebook page: "You have just given me the information, I did not know it existed even though I am constantly on Facebook" (Alain, 15). The data show that the youth subculture of adolescents is based on common features, where fun is at the heart of their art consumption experiences "There should be more fun! You see what I mean?" (Ludo, 13). Thus, art exhibitions and communication policy should take into account this specific group by focusing more on adolescents' perceptions of arts and exhibitions. Aspect such as: ethical engagement, interactivity, youth-centric approach, originality, and adolescent themes through which they can identify themselves might be important factors to reach and seduce adolescents and even make them buy art souvenirs, if they feel emotionally touched by their art experience.

These findings follow the logic of precedent works on young people and students' art expectations. Gilmore and Rentscheler (2002) suggested that museums should innovate and pay more attention to the opinions and preferences of students (Griffin 2004). Interactivity and collaboration might also increase young people interested to attend (Anderson and Lucas 1997; Goulding 2000). Hornecker and Stifter (2006) found that the elaboration of digitally augmented exhibitions could lead young visitors attending in groups. Food is also considered as a crucial factor enhancing young people involvement within museum experiences (McIntyre 2008). While young consumers are interested in socialization within their consumption experiences, social interactions might also be taken into account by museums (Hooper-Greenhil 1999; Thyne 2001).

## DISCUSSION AND IMPLICATIONS

Based on the key theoretical themes identified through the empirical investigation within the adolescent art consumption subculture, a conceptual framework of adolescent' perception of arts and exhibitions



**Adolescent consumption subculture**

Socialization and belonging

Digital landscape

**Youth art-marketing approach**

- Viral communication
- Juxtaposition and fragmentation
- Adolescent subculture focus
- Co-creation orientation
- From indoors to outdoors
- Art culture desacralization
- Art digital devices

**Adolescent's perception of art and exhibitions**

- Boring activities
- A part of adult's culture
- Non-tech oriented
- Elitist consumption practices
- Obligation and duty
- Non-adolescent focus

Interaction and

Fun and consumption

might be considered to understand the dimensions of adolescent's art consumption features in today's western consumer society. To conceptualize the experience of adolescent's art consumption, a model that summarizes the main findings and marketing implications in the arts field is offered in figure 1.

The results of this research suggest a youth-centric approach, which distinguishes between adult's definition of art consumption and adolescent's perception of what art consumption is supposed to be. Thus, adolescent's art consumption experience within the youth subculture was shown to be anchored within the adolescent environment. The adolescent-centric logic within the arts consumption context is taken into account in order to underline the gap existing in arts marketing strategies targeting young visitors especially adolescents.

Figure 1 captures the multiplicity of meanings associated with adolescent-centric perception of arts consumption. This approach is a new challenge for marketing and consumer researchers because it calls for a new orientation in terms of arts marketing. It identifies the adolescent perception of arts consumption as a dimension embedded within the youth subculture that is shaped by the consumer society where arts consumption is dominated by adult's culture and a marketing approach based on adult's expectations.

In the adolescent art-marketing conceptual framework, arts' consumption appears to be based on a personal definition that is tied to adolescent's perception characterized by the main features of adolescent subculture that emerged from the data analysis such as: 1) the digital landscape where today's adolescent live in (Prensky 2006), 2) the hedonistic part of adolescent consumption practices (Batat 2008), 3) the socialization process and peer group belonging (Roedder-John 1999), and 4) the interaction and collaboration with suppliers (Vargo and Lusch 2008). These main characteristics of the adolescent subculture lead us to go beyond the adult's definition of what arts consumption is or what it should be. Following this perspective, the adolescent art-marketing conceptual framework contributes to the comprehension of explicit and implicit dimensions of art consumption features as perceived by adolescents aged 13-18. Thus, the results in figure 1 show that adolescent perception of arts and exhibitions might be classified into six main themes:

1) Arts and exhibitions are perceived as boring activities.

2) Arts and exhibitions are a part of adult culture.

3) Arts and exhibitions are non-tech oriented consumption.

4) Arts and exhibitions are perceived as elitist consumption practices.

5) Arts and exhibitions don't take into account adolescent interest.

6) Arts and exhibitions are obligatory activities imposed by adults.

The results highlighted the fact that adolescents aged 13-18 view arts and exhibitions as boring, which does not match the hedonistic dimension of their youth consumption subculture. This finding supports the works of Mason and McCarthy (2006) and Barlett and Kelly (2000), who have reported that youth audiences have poor perceptions of museums, which they see as boring, didactic, unapproachable and preoccupied with the past. This also corroborates studies conducted on non-visitors who identified similar motives for not visiting museums (Hood 1983). In addition to the boring side of arts consumption, adolescents perceive museums and exhibition galleries as part of adult's culture, which does not match their youth interest. As argued by the authors: youth culture is a way of life for its members, which develops in opposition to institutional and/or adult culture (Willis 1981). Therefore, these adolescents see art as a domain which is special, remote and institutional, a field that is set apart from their common, everyday culture (Willis et al. 1990).

Our research points out to the fact that those adolescents develop coping mechanisms to resist the mainstream adults' culture. Thus, they prefer transgressing and rejecting art culture because of its adult symbol. Therefore, they adopt a youth fun consumption by practicing leisure activities where art culture and exhibitions are completely excluded and banned.

The third key theme we have identified through our empirical investigation is that adolescents perceive arts and exhibitions as non-tech oriented activities. The digital landscape of today's adolescents who are regarded as digital natives in contrast to adults who are defined as immigrant digital (Prensky 2006), shows that adolescents aged 13-18 are immersed within a multimedia consumption context. In this context, adolescents privilege leisure activities (video games, internet, cinema…) instead of cultural activities such as arts and exhibitions.

Thus, they develop a kind of anti-art culture based on the use of digital devices within their leisure activities as they expect that multimedia devices should be integrated to all the consumption domains even arts and exhibitions. While other types of museums have developed digital devises, most art museums have not heavily invested into digital devises. A form of conservatism from museum curators seems to have limited the use of those technologies in the specific context of art but also, the art context creates more complications than other museums to develop digital devises (Joy and Sherry 2003).

The fourth key theme shows that for these adolescents, art culture and exhibitions are perceived as "elitist". For adolescents, there are internal barriers to engaging with arts, as they have to be able to concentrate and understand the tacit and the explicit part of exhibitions. Often, young people especially adolescents have not the energy and the adequate arts' knowledge to engage fully with exhibitions in galleries and museums. This leads to the fifth key theme, which points to the dissonance between the culture of museums and the culture and identity of young people. Indeed, adolescents construct their own art culture with a focus on pop culture such as hip-hop, graffiti or urban arts, which is in contrast to the formal types of gallery and museum art that deny their artistic universe and their youth subculture. This perception of elitism is also experienced by other visitors; even some adults feel that it is difficult for them to mentally access art as it is presented in museums (Hood 1983; Arts Council of Great Britain 1991; Prentice et al. 1998). However, it is interesting to note that adult visitors represent different segments, among which an important one perceives museums as a fun leisure experience where socializing and relaxation can take place (Bonn et al. 2007; Lumley 1988; Sheng and Chan 2012; Kotler and Kotler 2011, Prentice et al. 1998; Gil and Ritchie 2008). Surprisingly this segment of clientele seems to be absent from the young individuals surveyed in this study. This information corroborates even more the gap that exists between young visitors and art museums: to them it is clearly not a place that can have other functions than formal/adult education.

The sixth key theme related to adolescent's perception of arts and exhibitions show that these activities are regarded as an obligation imposed by adults to their children and by teachers to their students. As most public art galleries and museums in France are regarded as an important aspect of education, they have a hostile image among adolescents who consider that visiting a gallery is meant to be good for them rather than being a pleasure. They perceive museums visits as a duty and a rule imposed by parents who want their children to be cultured and by teachers who follow the school curriculum.

This perspective highlights the gap existing in the marketing literature between adult arts' consumption and adolescent arts' subcultures. The perception of arts and exhibitions is then closely tied to adolescent identity and youth subculture. It focuses on the idea of the immersion within the youth subculture as a crucial research strategy to have a deeper understanding of adolescents' perception of arts, which is expressed in their own words and according to their own consumer subculture. Taken from this side, arts are a subjective and a flexible notion and can't be reduced to the adults' definition or even the key six themes identified in this research. Indeed, these ideas proposed through the adolescent art-marketing model might change the way researchers are studying arts consumption within youth groups and have several implications for marketers targeting young consumers in the field of arts.

## IMPLICATIONS AND FUTURE RESEARCH

The adolescents' art-marketing model identifies a set of targeting approaches marketers and art professionals can apply to the youth market. From this perspective, the results of this study suggest a bottom-up strategy through a youth perspective based on dual policy. This approach is based on a deeper understanding of adolescents' consumption subculture and their perception of exhibitions and art culture. In order to match adolescents' expectations in terms of art and exhibition offers, museums should take into consideration within their marketing policy the following elements, as shown in figure 1:

- A viral communication policy.
- Art offers based on adolescent subculture focus.
- Considering the co-creation of arts with adolescents.
- Mixing digital devices with art exhibitions.
- Juxtaposing and fragmenting art exhibitions.
- Changing spots: from indoor to outdoor exhibitions.
- Desacralizing art culture and make it fun and accessible.
- Integrate new dimension to interpretation:

live performances, visits guided by comedians or artists

- Seduce the subculture by creating special evenings and/or specific areas of the museums dedicated to adolescents, even on a temporary basis
- Organize special exhibitions comparing for instance urban art to more traditional forms of paintings, etc.

As adolescents are born in a digital landscape where internet and cell phones are an integral part of their daily lives, the viral communication with adolescent interest focus is an efficient tool for museums and art marketers to target youth through online social networks such as Facebook and Twitter. These online networks are indeed very popular among today's adolescents who spend more than 6 hours a day online (Tapscott 1998) and multitasking (Bardhi et al. 2010) by using different technological devices (iPhone, iPad and laptop). In addition, the viral communication targeting adolescents regarding art offers should integrate a "cool" and a fun dimension. This kind of message can be memorized easily and accepted by adolescents who don't feel that they are manipulated by adults' rules. Therefore, they easily accept art offers because it matches their youth subculture. In this sense, museums have to communicate directly with adolescents by integrating within their messages the features of their consumption subcultures with an offbeat humor. This communication based on youth subculture features is an effective way for art professionals and marketers to get the attention of adolescents.

In addition of a viral communication with an adolescent centric approach, museums and art professionals should pay attention to adolescents by placing them at the heart of their art offers. This might be applied through an interactive art where adolescents can participate and co-create the art offers with the museums. Indeed, the main feature that characterizes adolescent consumption subculture is the re-appropriation of offers to create another product, which matches adolescents' symbolic and tangible needs. Thus, adolescents would customize companies' offers by adding elements from their own youth subculture. This could be integrated in their school program, thereby downsizing the formal side to museum visits that they despise.

For young consumers, there is not one mainstream art culture but a variety of arts especially those co-created by adolescents. In the arts field, this can be realized through using digital devices as an integral part of exhibitions and art offers. While adolescents are digital natives, they expect that multimedia devices should be integrated into all consumption domains even the arts field. An example of a digital art exhibition of paintings on iPads, which has been held in Paris in 2011, shows that young visitors can interact and touch the screens and even change the painting on each iPad. This example emphasizes the fact that art culture should take benefit from digital devices and internet and use them as a support for artistic creativity to match adolescents' exhibition expectations.

This article points out that today's adolescents have common art consumption features, which reflect a paradoxical behavior (Decrop 2008) within digital and interactive western societies (Batat 2011). In this sense, the findings of this study suggest that museums and art professionals may target adolescents through mixed and juxtaposed art offers that combine opposed elements. Youth paradoxical behavior suggests that today's art museums and exhibition galleries need to juxtapose different opposite values within their art offers to reach adolescents. Therefore, combinations such as: popular/common and elitist, virtual and real, traditional and contemporary, nostalgia and futurism, youth and adult, information and fun, education and entertainment, marketing/commerce and art, artists and marketers, isolation and socialization, individualism and collectivism, nomadic and sedentary, indoors and outdoors are all important elements to match the expectations of a paradoxical postmodern adolescent especially in the field of arts consumption, where offers still follow a traditional and a global policy based on adults' expectations.

These propositions may contribute to the *Desacralization of* art culture and make it accessible to a larger and younger audience. A strategy based on the shift from indoor to outdoor exhibitions by bringing museum to consumption temples such as malls or subway stations for example is also a good way to change the elitist image of art culture and exhibitions. This process should be based on interaction and consumer participation where arts are everywhere and take different forms.

Finally, if curators might not be favorable to the introduction of digital devises within museums, they might be interested by mobile devises that can be suitably designed for a specific public. For instance, Smartphones can provide a very interesting tool to provide targeted information matched to the youth

market. The Smartphones' applications could provide a presentation of art works respecting the youth subculture language codes, and could add information about the painter life (thereby demystifying the formal side of museums), show specific details using augmented reality functions, and display comments left by other visitors (of a same age) which could bring an interactive dimension within the same community of customers.

At this regard, adolescent art-marketing conceptual framework suggests that museums and art professionals have to develop a youth-centric approach based on adolescent consumption subcultures and his perception of arts to match the art expectations of this new emerging target. In terms of academic implications, the results of this study provide a useful perspective for marketing and consumer researchers in the arts consumption field. This research contributes to the understanding of adolescent perceptions of art museums and exhibition galleries from a youth perspective.

The findings of this research support a small but growing body of research that extends the works of Gofman et al. (2011) and Mason and McCarthy (2006) on an important audience, which is sometimes overlooked. This research also follows the Youth Subculture Theory YST (Hall and Jefferson 1976; Hebdige 1979) developed by Centre for Contemporary cultural Studies (CCCS) in mid 70s. The main focus of YST is to consider each youth subculture form as a part of a code by which the members communicate. In this sense, arts are an integral part of young consumers' socialization process, which contributes to the creation of their identities according to the norms of their tribes within their own consumption subculture. This supports the idea of art perception heterogeneities between adolescents and adults.

## CONCLUSION

Despite the study's limitation related to a French context where art museums and exhibition galleries perception is related to a typical French culture and lifestyle, this research represents a western context and is the first to study the perception of arts and exhibitions among adolescents aged 13-18. Additionally, this research provided a conceptual framework, which represents the main art consumption features of adolescents. Since, much of the research in the arts field has focused on investigating what it is in the visitors' preconceptions, preferences or behaviors that deters them from museum visiting.

Further research should explore the differences in perception of art museum and exhibition galleries, which may vary with age. Our findings suggest that art-marketing researchers should focus more on the youth target and the experiential, emotional and artistic consumption fields by exploring different kinds of arts and exhibition experiences and their perceptions from the perspective of young consumers identified within their consumption subcultures.

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# It's All in the Mindset:
# Effects of Varying Psychological Distance in Persuasive Messages

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## ABSTRACT

The persuasive impact of messages can be maximized if their framing is matched to where target consumers are in their decision making process at the time they evaluate the message, so that consumers who are in the pre- versus post-decisional phase of decision-making are more likely to be persuaded by messages framed using psychologically distant vs. close orientation.

## EXTENDED ABSTRACT

Consumer products in the marketplace often use messages, claims, and appeals that vary in terms of the temporal or social distance at which they are presented. For instance, Kellogg's advertises its Rice Krispies© line of cereals by using a temporally close orientation and emphasizing the present (Help support your child's immunity now), but advertises its Special K© line of cereals by using a temporally distant orientation and emphasizing the future (Lose up to 6 pounds in two weeks). Kellogg's has also used advertisements that focus on either the self (The best to you each morning) or others (More people like Kellogg's most), when advertising its Corn Flakes© line. These differences in the framing of messages and product appeals refer to differences in the psychological distance – distant versus close – at which they are presented. Psychological distance is a multifaceted construct that incudes different dimensions, such as temporal distance (when: now vs. later; near vs. distant future) and social distance (who: self vs. other; in-group vs. out-group; e.g., Kim, Zhang, and Li 2008; Trope, Liberman, and Wakslak 2007). Given that persuasive messages and product appeals can be framed using either psychologically close (e.g., supports current health; good for oneself) or distant orientation (e.g., supports future health; good for consumers nationwide), it is important to understand which products consumers will be more likely to choose, and which campaigns will be more effective. The current research argues that the persuasive impact of messages or product appeals framed using psychologically close or distant orientation, depends on where consumers are in their decision making process at the time they evaluate the message or product.

Consumers' goal-oriented behavior can be broadly divided into two phases: goal setting and goal striving (Bagozzi and Dholakia 1999). It can be further subdivided into specific action phases depending on where the individual is in the process of making a goal pursuit decision (Gollwitzer 1990; 2011). The progress toward a goal starts with a predecisional phase in which the costs and benefits of pursuing a goal are deliberated. When a decision about pursuing a goal has been made, people move to the next, postdecisional phase, in which steps are taken to plan the implementation of the chosen goal. The mindset theory of action phases (Gollwitzer 1990; Gollwitzer and Kinney 1989) has shown that the unique tasks associated with these pre- and postdecisional decision making phases lead to the activation of different cognitive procedures, called predecisional and postdecisional mindsets, which affect how people interpret subsequently encountered information. More than two decades of research (for a recent review see e.g., Gollwitzer 2011) has extensively examined the distinct cognitive features of the pre- and postdecisional mindsets and has concluded that even though people in different mindsets do not exhibit different levels of goal commitment, motivation, involvement, or self-efficacy, they do tend to exhibit distinct cognitive functioning (e.g., cognitive tuning to goal decision-relevant vs. goal implementation-relevant information).

In the current research, we present two experiments in the domain of healthy nutrition, which examine which message orientation – psychologically close or distant – would be more persuasive for consumers in the two different decision status mindsets. Based on the mindset theory of action phases (e.g., Gollwitzer 2011) and the action identification (Vallacher and Wegner 1987) and construal level (e.g., Trope and Liberman 2003) theories, we predict that participants in a predecisional mindset are attuned to the higher level identities of actions and are thus more likely to be persuaded by messages framed using psychologically distant message orientation (i.e., focusing on the future or a socially distant other). On the other hand, consumers in a postdecisional mindset are attuned to the lower level identities of actions and are more persuaded by messages framed using psychologically distant

message orientation (i.e., focusing on the present or a socially close other).

Experiment 1 (n=47) explores actual donation decisions to show that decision status mindsets affect consumers' decisions to donate money to two charity foundations promoting the advancement of knowledge and practice in the areas of nutrition and dietetics.

Participants were randomly assigned to one of two conditions where pre- versus postdecisional mindset was primed using Gollwitzer's standard deliberative and implemental mindset priming procedures (see e.g., Gollwitzer and Kinney 1989). Participants were told that, as a reward for participating, the experimenters would donate $5 in their name to two charity foundations, and were asked to choose how to allocate the money to the two foundations (hence all participants made overall donations of equal amount—$5, but the donations distribution to the two foundations differed across participants). One of the two foundations, American Society for Nutrition (ASN), was framed using a future focused message orientation (i.e., the description emphasized that the foundation strives to enhance people's lives in the future) and the other, American Dietetic Association (ADA), was framed using present focused orientation (i.e., the description emphasized that the foundation strives to improve people's present health). Donations were subsequently made to the two charities according to participants' allocations. Results revealed that as expected, participants in a predecisional mindset donated almost twice the amount of money to the ASN foundation described using future message orientation (M = $3.30) compared with the ADA foundation described using present message orientation (M = $1.70). In contrast, when postdecisional mindset was primed, participants donated more than twice the amount of money to the ADA (present) foundation (M = $3.40) compared with the ASN (future) one (M = $1.60). The contrast comparing the difference in money allocation between the pre- and postdecisional groups was significant, $F(1, 45) = 13.30$, $p < .001$.

Experiment 2 (n = 174) employed a 2 (social distance framing: distant vs. close) × 2 (mindset: predecisional vs. postdecisional) between-subjects design and used a different mindset procedure that allows decision status mindsets to develop naturally as the consequence of manipulated decision environment (Gollwitzer and Kinney 1989; Nenkov and Gollwitzer in press). Participants were asked to evaluate one of two orange juice advertisements, targeted at either a socially close other (i.e., your family) or a socially distant other (i.e., families nationwide). As expected, participants who were in a predecisional mindset were significantly more likely to buy the advertised juice in the socially distant framing condition (M = 5.10) than in the socially close framing condition (M = 4.30), $t(172) = 1.97$, $p < .05$. On the other hand, participants who were in a postdecisional mindset were significantly more likely to buy the advertised juice in the socially close framing condition (M = 5.30) than in socially distant framing condition (M = 4.20), $t(172) = 3.03$, $p < .01$

In this experiment we also measured the level at which participants identify their actions, using Vallacher and Wegner's (1989) Behavior Identification Form (BIF). Results revealed that consumers in a predecisional (M = 16.40), as compared to those in a postdecisional mindset (M = 14.10), are more likely to identify their actions in terms of their higher versus lower level identities ($t(172) = 2. 10$, $p < .01$). We tested whether participants' level of action identification, as measured by the BIF, mediates the effects of decision status mindset on behavioral intentions. We examined mediation in each of the two framing conditions, using the bootstrapped estimation of conditional indirect effects (Preacher and Hayes 2004; Zhao, Lynch, and Chen 2010). The estimated 95% confidence interval around the indirect effect of mindset on behavioral intentions does not contain zero for either the distant (-.3127 to -.0072), or close social framing condition (.0040 to .2363), supporting mediation. These findings provide evidence that consumers in a predecisional, as compared to those in a postdecisional mindset, are more likely to identify their actions in terms of their higher versus lower level identities, which drives their preference for messages framed using psychologically distant versus close orientation, respectively.

This research makes important contributions to the mindset theory of action phases by being the first study to provide direct experimental evidence that the predecisional mindset is associated with high-level action identification, whereas the postdecisional mindset is associated with low-level identification. It also extends recent research on the effects of psychological distance (e.g., Kim, Zhang, and Li 2008) by examining the effects of framing messages using distant versus close psychological distance on subsequent intentions and decisions, and proposing an important factor that moderates the persuasiveness

of such messages—decision status mindsets.

This research has significant implications for the design and presentation of messages and product appeals by suggesting that in order to maximize their effectiveness, messages and product appeals should be framed at the appropriate psychological distance when targeting consumers who are at the pre- versus postdecisional phase of their decision-making process. Specifically, firms and organizations targeting consumers who are in the predecisional decision-making phase (e.g., Weight Watchers® running ads persuading prospective, undecided members to join) should employ psychologically distant framing (e.g., emphasize issues related to the future or to other consumers nationwide). On the other hand, firms and organizations targeting consumers who are in the postdecisional phase (e.g., Weight Watchers® providing resources targeted at current, already committed members) should employ psychologically close framing (e.g., emphasize issues related to the present or the self).

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# What Thoughts Count? Examining the Impact of Gift-giving on Relationship Realignment

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## EXTENDED ABSTRACT

Gift-giving has been conceptualized as the evaluation, selection, and transfer of material and non-material objects (Macklin and Walker, 1988). Gift-giving is instrumental in building and maintaining social ties as well as serving as a means of symbolic communication in social relationships (Belk 1976, 1979; Caplow 1982; Cheal 1988).

Sherry (1983) described the gift exchange as a three-step process: gift search and purchase (gestation), actual exchange (presentation), and gift disposition and realignment of the giver/recipient relationship (reformulation). Most research has focused on gift search and purchase (Fischer and Arnold 1990; McGrath 1989; Otnes, Lowrey, and Kim 1993; Sherry and McGrath 1989), addressing issues such as motivation and its impact on purchases (e.g., money and effort spent). However, little research has focused on understanding the link between activities and thoughts that occurred during the gift purchase and their impact on relationship realignment. In this research, we specifically examine whether and how gift purchase characteristics influence giver-recipient relationship realignment from the perspectives of both the giver and the recipient.

## CONCEPTUAL BACKGROUND

Gift-giving stems from different motivations, and it takes place either in a spontaneous and voluntary mode or in fulfillment of an obligation (Belk 1976, Scammon et al. 1982). The sense of obligation in gift-giving arises from two sources: reciprocity and ritual. Goodwin et al. (1990) pointed out that the motivation behind gift-giving falls along a continuum from voluntary to obligatory. They proposed that the point at which an occurrence of gift-giving falls on this continuum affects a variety of consumer behaviors in gift purchases.

Money and thoughts (in the form of time and effort spent) are two important factors examined in gift purchase activities (Goodwin et al. 1990). Research showed that when the gift-giving is voluntary rather than obligatory, gift selection is more likely shaped by a desire to express recipient identities (Goodwin et al. 1990). Voluntary givers were more concerned with the recipient in their consideration and tended to spend more time and effort with the gift selection and to be less concerned with social pressure. On the other hand, purchases made to fulfill social obligations were more likely to be made in a manner to minimize the effort of shopping/ purchasing effort; at the same time, however, item selection would involve consideration of the message conveyed to the recipient and observers (Scammon et al. 1982). In other words, thoughts that occurred during gift purchase could be of two types: concerns for the recipient's preferences and concerns for the appropriateness of the purchase based on observers' opinions. We propose that different thoughts may be driven by different motives and may further influence giver-recipient relationship realignment.

Relationship realignment refers to perceptions of the gift receipt experience and relationship quality, which occur in the reformulation stage of gift exchange (Sherry 1983). Gift giving may strengthen the relationship by improving the quality of the giver-recipient relationship; or weaken the relationship by highlighting the lack of connection and shared meaning in the relationship (Sherry 1983, Ruth et al. 1999).

Is it the money that counts or is it the thought that counts in relationship bonding? Past research seem to support that thoughts count more than money. Gift-givers' thoughts in selecting the gift influence the perception and satisfaction of the gift recipient (Belk 1976; Ward and Broniarczyk 2011). However, what are the types of thoughts that count? No research so far has examined whether and how different thoughts that occur during gift purchase may influence relationship realignment. We try to fill this void in this research.

## OUR MODEL

Following existing research, we propose that various gift-giving motivations fall on a voluntary-obligatory continuum. Motivation further influences consumer gift purchase activities and thoughts. Specifically, gift purchases driven by voluntary motives are more likely to lead to both a greater amount of money spent and more time and effort spent (i.e., thoughts about the recipients), while those driven by obligatory motives are more likely to involve more concern about the

appropriateness of the gift selection (i.e., observers' opinions). Further, consumers' activities and thoughts that take place during the gift purchase process will influence relationship realignment. Specifically, we suggest that money has no significant effect on either strengthening or weakening the relationship. Time and effort spent will strengthen the relationship, and the effect is mediated by positive emotions. In addition, thoughts related to concerns with observers' opinions can both strengthen and weaken the relationship. On one hand, gift givers have to be concerned with the gift enough to care for social norms and observers' opinions; hence, these thoughts will strengthen the relationship. On the other hand, such thoughts may be considered laborious rather than exciting and enjoyable, in which case they will weaken relationship through negative emotions.

## METHOD AND RESULTS

The study was conducted by collecting consumers' critical incidents using an online survey. Participants were recruited through Zoomerang online panels. Participants were first asked to recall an episode where they gave a gift (n=269). They were asked to indicate to what degree the gift was 1) a special event/occasion; 2) just feel like it (pure gift); 3) reciprocating a previous gift giving; or 4) expecting future reciprocity. Then, they answered a set of questions regarding their perceived voluntary and obligatory motivation, gift purchase behaviors, thoughts and feelings involved, as well as their perception of the relationship after the gift-giving. Next, they were asked to recall an episode where they received a gift (n = 251), and to answer a set of similar questions including gift occasions, their inferred gift-givers' motives, inferred thoughts occurring during the gift purchase, as well as their own feelings about receiving the gift and the perceived influence on the relationship. We tried to examine the proposed model from both a gift-giver and gift-recipient's perspective. We tested the model in SEM using AMOS. Overall, data fit our model well. Results showed that gift-giving is driven by a variety of occasions and intentions, which fall on the voluntary-obligatory continuum. Even a "pure gift" came with some sense of obligation. Different motivations are associated with different activities and thoughts in gift purchase. From the givers' perspective, when giving voluntarily, consumers tend to spend more money as well as time and effort in gift purchase, but are less concerned with observers' opinions. When giving under obligation,

consumers tend to spend more money, time and effort, as well as to think more about observers' opinions. However, from the receivers' perspective, voluntary gift giving only led to more time and effort spent without having an effect on money spent or concerns for others' opinions. When the giving is done out of obligation, receivers perceived givers spend more money and are more concerned with observers' opinions, but would not spend more time and effort on gift purchases.

In terms of the effects on relationship realignment, money had no significant effect on relationship realignment, either strengthening or weakening. Effort significantly strengthened the relationship, and the effect is mediated by positive affect (Sobel Z=4.99, p < .01). At the same time, effort also produced a negative effect on weakening relationship through reduced negative affect (Sobel Z = -3.95, p < .01). Finally, concerns for observers' opinions both strengthened and weakened the existing relationship. These thoughts are important in ensuring the appropriateness of the gift, which helped to strengthen the relationship. However, the thoughts are not enjoyable and the negative effect was mediated by the negative affect experienced (Sobel Z = 4.99, p < .01). Results from the gift-recipient's perspective demonstrated a very consistent pattern.

## CONCLUSION

Overall, our research goes beyond money and effort spent to identify different thoughts that take place during gift purchases and examines the impact of these activities and thoughts on relationship realignment. We contribute to the literature in gift exchange by linking motives with gift purchase behaviors and the impact on relationship realignment as well as the mediating role of emotions.

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# The Fallacy of a Pure Sample:
# Beyond the Myth of Cultural Homogeneity in Immigrant Consumer Acculturation Research

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A current fixation with 'pure' ethno-national samples is based on a myth of cultural homogeneity which still operates in immigrant consumer acculturation research today. Moving beyond this myth, this paper emphasizes that consumers are embedded in multiple webs of belonging, as illustrated by Southeast Asian immigrants in New Zealand.

## EXTENDED ABSTRACT
## INTRODUCTION

A recent resurgence of interest in immigrant consumer acculturation among marketing researchers reflects the accelerated flows of people, capital, technology, media images, and ideologies across local and national boundaries (Appadurai 1997). An increasing number of the world's nations can presently be characterized as multicultural, with many consumer communities negotiating identities in relation to more than one 'homeland' (Trendwatching 2003). Clearly, it is imperative to understand migrant consumer identities and multicultural consumption environments, which are emerging as significant phenomena for consumer cultures globally.

While marketing research in immigrant consumer acculturation has been marked by several important advances, there remains a current fixation with the construction of 'pure' ethnic or national groups when sampling. We contend that this approach to sampling is based on a myth of cultural homogeneity which still operates in immigrant consumer acculturation research today. Instead of attempting to locate consumers within the relatively stable cultural entities of home and host culture, this article emphasizes that we would more accurately represent our consumers by considering the multiple "webs of belonging" (Calhoun 2003, 536) in which they are embedded. This additional lens shifts our view of immigrant consumer acculturation to a process of reconfiguration within complex and dynamic webs of belonging, which are broader than the imaginaries of home and host culture and comprise multiple social groups, places, and histories. We consider the implications of this additional lens for our theoretical conceptions of culture at the macro level as well as the conceptions of cultural identity at the level of the individual consumer. As an example, we consider Southeast Asian immigrant consumers in New Zealand, whose point of commonality is not race, nationality, or ethnicity, but paradoxically their disjuncture and diversity.

## WEBS OF BELONGING: BEYOND THE MYTH OF CULTURAL HOMOGENEITY

To address the current limitations in immigrant consumer acculturation research, we draw on extant interdisciplinary insights to re-lens our assumptions about culture. Moving from a dyadic border crossing involving the polarities of home and host culture, we propose a broader theoretical lens which emphasizes that consumers are embedded in multiple and shifting "webs of belonging" (Calhoun 2003, 536). While immigrant acculturation studies in marketing have assumed the home and host cultures to be relatively stable entities, this additional lens sees immigrant acculturation as a process of re-positioning, re-embedding, and reconfiguring in relation to complex and dynamic webs which comprise multiple social groups, places, and histories.

At the macro level of cultural analysis, the concept of multiple webs of belonging draws attention to intersections and entanglements across cultures. The predominant lens of border crossing between a home and a host culture, while producing important insights, is limited by the underlying metaphor of cultures as autonomous islands which are internally homogeneous, externally separated, exclusively 'owned by' a particular people, and which inevitably collide when in contact (Welsh 1999). However, this primordial model of separate cultures is confounded by the inner differentiation and complexity within modern cultures as well as new forms of entanglement between and across cultures today (Robertson 1992; Welsh 1999). Because of the accelerated flows of consumption practices, ideologies, and people resulting from global economic forces (Appadurai 1997), the notion of cultures as autonomous islands gives way to the alternative metaphor of cultures as cross-cutting webs, which are complicatedly

entangled (Ang 2003) and mutually imbricated (Merleau-Ponty 1962). As Levi-Strauss (1994, 424) observes

The term [monocultural] is meaningless, because there never has been such a society. All cultures are the result of a mishmash, borrowings, mixtures that have occurred, though at different rates, ever since the beginning of time. Because of the way it is formed, each society is multicultural and over the centuries has arrived at its own original synthesis.

In this view, the overlaps between cultures render it difficult to draw a clear line between what belongs to 'self' and what belongs to 'other' (Ganguly 1992), as the foreign and the familiar are always implicated in every form of cultural production (Ang 2003).

At the micro level of the individual, the concept of multiple webs of belonging emphasizes the complex constitution of consumers' cultural identities and asserts that ethnic origin is only one of many forms of social solidarity through which consumers organize their lives. For example, Fijian-born Indians negotiate a different sense of being 'Indian in Australia' compared to Indians born in India (Ghosh 2000) while Malaysian-born Chinese immigrant consumers negotiate complex webs of belonging which include ethnic affiliations with diverse Chinese communities, regional affiliations derived from Malaysia's position as a Southeast Asian nation, and a national identity inflected by a history of British colonialization. Seeing consumers as embedded in multiple webs of belonging thereby resists the common trope of using ethnic origin as a marker and determinant of cultural identity. Brubaker (2004) proposes a necessary shift away from the fallacy of 'groupism', in which we treat ethnic groups as concrete entities, towards a view of group-making as an ongoing project. Similarly, Calhoun (2003, 547) observes that "it is important to think of solidarities in the plural, avoiding the illusion that plagued much earlier thought of ethnicity and nationalism that there was some one basic identity common to all members of a group." Thus, we need to consider the multiple and shifting cultural connections and forms of social solidarity which are implicated in cultural identity formation.

## SOUTHEAST ASIAN IMMIGRANT CONSUMERS IN NEW ZEALAND: AN 'IMPURE' SAMPLE

If cultures and cultural identities are far from pure, how should researchers of immigrant consumer acculturation approach sampling? As an example, we consider Southeast Asian immigrant consumers in New Zealand, whose point of commonality is not race, nationality, or ethnicity, but paradoxically their disjuncture and diversity.

Firstly, Southeast Asian immigrant consumers experience a double disjuncture (Bhabha 1990) in that Southeast Asian identities are both 'foreign' and invisible in New Zealand's national imaginary. The category 'Asian' is stereotypically associated with people from Northeast Asia, predominantly China, Japan, and Korea. Despite the increasing numbers of Southeast Asian immigrants in New Zealand, particularly from the Philippines and Malaysia (Bedford and Ho 2007), representations and stereotypes of people from Southeast Asia have less popular currency than representations and stereotypes of people from Northeast Asia. This relative invisibility is reflected in State nomenclature, where Southeast Asians are frequently subsumed under the 'Other' category (e.g. Bedford and Ho 2007).

Because Southeast Asian immigrant consumers remain relatively invisible in New Zealand's national and geopolitical imaginary, they may experience an ambivalent identification with the category 'Asian'. Thus, how do Southeast Asians inhabit an 'Asian' identity in New Zealand? Is it possible to self-caricature or make ethnic jokes about one's own cultural background (Boskin and Dorinson 1985; Leveen 1996) if the invisibility of Southeast Asian identities renders such performances unrecognizable or unintelligible? Is it easier to strategically downplay one's ethnicity (Li et al. 1995) if one does not fit the popular stereotypes associated with Asians in New Zealand?

Secondly, Southeast Asian immigrant consumers have been primarily acculturated to discourses of Southeast Asian regional identity (Cayla and Eckhardt 2008; Hefner 1998) which emphasize diversity. As Hefner (1998) asserts, Southeast Asian cultures resist being described as uniform Chinese, Malay, or Vietnamese cultures, but are more astutely described using a pluralized and distributional model of culture. In this vein, Cayla and Eckhardt (2008, 220) found that regional Asian brands constructed a "mosaic Asian culture" which invoked an assortment of cultural references rather than emphasizing cultural homogeneity.

As such, discourses of Southeast Asian cultural diversity resonate strongly with interdisciplinary

views of cultures as heterogeneous (Boyne 2002; Szanton 1998) and entangled (Ang 2003; Merleau-Ponty 1962; Welsh 1999). These discourses are also resonant with interdisciplinary views of cultural identities as more broad and complex than nationality and ethnic origin (Calhoun 2003; Dwyer 1999). Constant slippages between race, nationality, and ethnicity occur within the "mosaic Asian culture" (Cayla and Eckhardt 2008, 220) which constitutes Southeast Asian identities. Given that this mosaic culture is likely to be held in common at a regional level, it is necessary to move the sampling frame beyond a singular focus on an immigrant consumer's country of origin and beyond the intercultural dyad of home culture and host culture.

## CONCLUSION

Reflecting on our theoretical lenses to date, we have observed that a current fixation with the construction of homogeneous national or ethnic samples is based on a myth of cultural homogeneity which still operates in immigrant consumer acculturation research today. Instead of attempting to locate consumers within the relatively stable cultural entities of home and host culture, this paper emphasizes that immigrant consumers are embedded in multiple "webs of belonging" (Calhoun 2003, 536). As an example, we considered Southeast Asian immigrants in New Zealand, whose point of commonality is not race, nationality, or ethnicity, but paradoxically their disjuncture and diversity.

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# Consumer Engagement or Customer Engagement? Two Competing Views on a Phenomenon

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## ABSTRACT

Engagement has become a crucial issue in contemporary marketing, a concept widely discussed in academia and practice. Uses of the term abound, yet its meaning is contested. This paper explores two competing views of engagement in marketing thought, consumer engagement and customer engagement. Implications for future research are considered.

New media, such as TripAdvisor, YouTube, Facebook, and eBay, present a threat to existing models for conducting business, by enabling consumers to take an increasingly active role as players in the market (Hennig-Thurau et al., 2010). In the contemporary era, marketers have sought new sources of influence in the marketing relationship. For the past decade, practitioners have espoused the benefits of engagement, on the assumption that an engaged consumer is loyal to the firm, and likely contributes to the profitability of the firm (Bowden, 2009). Engaged consumers are believed to more likely recommend and refer other customers to the firm, or assist with ideas for product development (Kumar et al., 2010). "Perhaps no other recent concept has captured more interest from marketers than engagement" (Calder and Malthouse, 2008, p. 1).

Amongst practioners there is unfortunately no clear consensus exactly what engagement is. Engagement is variously seen as the connection a consumer makes with the firm, the attention a consumer pays to marketing communications, the impression that marketing and communications make on the minds of a consumer, the interaction between a consumer and a brand or advertisement, or a consumer's emotional investment in a brand (Brodie et al., 2011). Contemporary use of the terms "engage" and "engagement" have reached such a level they have become part of common parlance. It is not uncommon to hear a person in everyday conversation state, "we must engage them" or "they need to engage with the material"; however, in many cases the speaker fails to explicitly define what they mean by their use of the terms "engage" or "engagement".

It is only in the last five years that academia has sought to define engagement in a marketing context,

or to research the impacts of engagement (Brodie et al., 2011). A number of contrasts are noted in the academic literature on engagement in a marketing context: (a) the engagement concept has been applied to varying objects of consumption, (b) there are a number of deeply divided schools of thought regarding the dimensionality and conceptualisation of engagement, (c) researchers differ in their views of the antecedents and consequences of engagement, and (d) there are alternative theoretical bases for conceptualising engagement. In this paper, these four issues in the literature on engagement are explored, arriving at a clear contrast between two opposing views of engagement, customer engagement and consumer engagement.

Customer engagement (the firm-centric view) takes the perspective of the firm, and what it can do to engage the customer, or prospective customer. Colloquially, this is the perspective of "I engage you"; the firm is seeking loyal customers and asking what it may take to grab the customer's attention and loyalty. From this perspective, engagement is defined behaviourally, as the manifest behaviours the customer or prospective customer participates in, relative to the firm, the brand or activities initiated by the firm. Such behaviours might include word-of-mouth activity, referrals and recommendations, or posting of messages in online forums initiated by the firm. Antecedents to engagement behaviours might include involvement in the product category or interactivity with the firm's website. The consequences of engagement of most interest to those taking a firm-centric view are such psychological matters as customer satisfaction, brand commitment, trust and brand loyalty. Appropriate theoretical explanations for customer engagement are relationship marketing theory and service dominant logic.

Consumer engagement (the consumer-centric view) takes the perspective of the consumer, and what engages them most. Colloquially, this is the perspective of "I am engaged"; the consumer is seeking value from their experiences, including utilitarian, hedonic and social value. Consumer engagement is defined as a psychological state, the dimensions of which are cognitive, affective and

motivational. The consumer may be engaged with any object, whether initiated by the firm or not; they may be engaged with a firm or a brand, a medium, a website, a marketplace, an advertisement, an activity, an object of entertainment, a social group or community. The antecedents to the engagement state are specific experiences the consumer has with the object of consumption. The consequences of a high level of engagement are ongoing behaviour related to the object of consumption, including continued interaction with the object, time and money spent on the object, and social interaction with other consumers relative to the object. An appropriate theoretical explanation for consumer engagement is experiential consumption.

Both the firm-centric and the consumer-centric views are appropriate perspectives from which to understand and research engagement in a marketing context. In today's world, objects of consumer engagement are not restricted to the offerings of the firm. Commercial organisations now compete for consumer attention and engagement not only with other market offerings, but with any object of experiential consumption available to the consumer. Consumers likely interact with those stimuli in their environment that provide them with most value. In other words, consumers likely engage with those objects of consumption that are most engaging, whether they are presented by the marketer or by some other agent.

Web 2.0 applications have placed increased power in the hands of consumers (Hennig-Thurau et al., 2010). For instance, millions of consumers consult the hotel reviews posted by other consumers on TripAdvisor, before selecting a hotel for their holiday (O'Connor, 2010). Disgruntled consumers post video clips on YouTube criticising firms they have had bad experiences with (Libai et al., 2010), and consumers frequently post comments about brands on Facebook pages. New media, such as TripAdvisor, YouTube, Facebook, and eBay, present a threat to existing models for conducting business, by enabling consumers to take an increasingly active role as players in the market (Hennig-Thurau et al., 2010). "New media require a shift in marketing thinking – consumers have become highly active partners, serving as customers as well as producers and retailers, being strongly connected with a network of other consumers" (Hennig-Thurau et al., 2010, p. 324).

In this new era of marketing, marketers have sought new sources of influence in the marketing relationship. For the past decade, practitioners have espoused the benefits of engagement, on the assumption that an engaged consumer is loyal to the firm and likely contributes to the profitability of the firm (Bowden, 2009). Engaging the consumer has become something of a 'strategic imperative' for many firms (Brodie et al., 2011a). Engaged customers are more likely recommend and refer other customers to the firm, or assist with ideas for product development (Kumar et al., 2010). "Perhaps no other recent concept has captured more interest from marketers than engagement" (Calder and Malthouse, 2008, p. 1).

Amongst practitioners there is unfortunately no clear consensus on exactly what engagement is. Brodie, et al. (2011a) present a review of practitioner definitions of engagement. Engagement is variously seen as the connection a consumer makes with the firm, the attention a consumer pays to marketing communications, the impression that marketing and communications make on the minds of a consumer, the interaction between a consumer and a brand or advertisement, or a consumer's emotional investment in a brand (Brodie et al., 2011a).

Contemporary use of the terms "engage" and "engagement" have reached such a level they have become part of common parlance. It is not uncommon to hear a person in everyday conversation state, "we must engage them" or "they need to engage with the material"; however, in many cases the speaker fails to explicitly define what they mean by their use of the terms "engage" or "engagement".

It is only in the last five years that academia has sought to define engagement in a marketing context, or to research the impacts of engagement. "Few authors have attempted to define the concept, or examine how it differs from similar relational concepts, such as participation and involvement" (Brodie et al., 2011a, p. 253). Bowden (2009) observes that most of what is written on engagement is based on practice rather than theory; the concept is in danger of degrading to the level of a management fad. There is still no one commonly agreed conceptualisation of engagement in a marketing context (Gambetti and Graffigna, 2010). Kumar et al. (2010, p. 298) contend that the engagement concept is still novel and developing in academia, thus, "there are bound to be differing and at time conflicting opinions regarding its conceptualization".

A number of contrasts are noted in the

academic literature on engagement in a marketing context: (a) the engagement concept has been applied to varying objects of consumption, (b) there are a number of deeply divided schools of thought regarding the dimensionality and conceptualisation of engagement, (c) researchers differ in their views of the antecedents and consequences of engagement, and (d) there are alternative theoretical bases for conceptualising engagement. In this paper, these four issues in the literature on engagement are explored, arriving at a clear contrast between two opposing views of engagement, customer engagement and consumer engagement.

## OBJECTS OF ENGAGEMENT

The first distinction in the engagement literature concerns the object the consumer is engaging with. One stream of enquiry examines consumer engagement with media, advertisements and entertainment objects. This stream is dominated by the research of Calder, Malthouse and colleagues. Engagement is conceived as being a psychological state with motivational properties, as distinct from being a behaviour of the consumer (Higgins and Scholer, 2009). Engagement is viewed as being the result of experiences with a medium (Calder and Malthouse, 2008; Calder, Malthouse, and Schaedel, 2009; Malthouse and Calder, 2011), an advertisement (Phillips and McQuarrie, 2010; Wang and Calder, 2006), a website (Abdul-Ghani, Hyde, and Marshall, 2011; Mollen and Wilson, 2010) or an entertainment object (Scott and Craig-Lees, 2010). Consequences of engagement include specific consumer behaviours relative to the object of engagement, such as increased time and money spent on the object, or speaking about the object to other consumers. Experimental studies in this tradition have established a link between engagement with a medium, advertisement or entertainment object and the effectiveness of advertising (Calder et al., 2009; Phillips and McQuarrie, 2010; Scott and Craig-Lees, 2010).

An alternative stream of enquiry examines consumer engagement with a brand (Bowden, 2009; Hollebeek, 2011b). Here, engagement is conceptualised as being a process or a state of mind, the outcomes of which are likely to be customer satisfaction, commitment, trust and loyalty towards the brand. A variation on this enquiry is the development of a brand engagement in self-concept (BESC) measure by Sprott, Czellar and Spangenberg (2009); BESC is related to consumer materialism, the extent to which brands [plural] are incorporated in a consumer's self-concept.

A third stream of enquiry considers consumer engagement with the firm. Examples of scholarship in this tradition are the published work of van Doorn and colleagues (van Doorn, 2011; van Doorn et al., 2010), Verhoef, Reinartz and Krafft (2010), and Kumar and colleagues (2010). Here, the authors take the perspective of the interests of the firm in capturing the consumer's attention. Engagement is conceived as being both transactional and non-transactional behaviours of the consumer relative to the firm. Examples of non-transaction behaviours relative to the firm include, posting messages on the company website, or subscribing to the company Facebook page. Kumar et al. (2010) develop a customer engagement value (CEV) measure, which incorporates customer lifetime value, plus the value of the customer for referrals, recommendations and product ideas they contribute to on behalf of the firm. Empirical research in this tradition has examined the impact of corporate website design on consumer participation in online communities (Ashley et al., 2011) and the number of messages consumer post on corporate blogs (Ahuja and Medury, 2010).

## CONCEPTUALIZATION AND DIMENSIONALITY OF ENGAGEMENT

Even though the academic literature on engagement is barely five years old, a number of scholars have contributed attempts to define the concept. One school of thought views engagement as a psychological state of the consumer. The dimensions of that psychological state are most often viewed as cognitive, affective and motivational; the thoughts, feelings and energy the consumer has towards an object of consumption (Calder and Malthouse, 2008; Malthouse and Calder, 2011).

Engagement is a state of being involved, occupied, fully absorbed, or engrossed in something – sustained attention. (Higgins and Scholer, 2009, p. 102)

Online engagement is a cognitive and affective commitment to an act of relationship with the brand as personified by the website ... It is characterised by the dimensions of dynamic and sustained cognitive processing and the satisfying of instrumental value (utility and relevance) and experiential value (emotional congruence) with the narrative schema encountered. (Mollen and Wilson, 2010, p. 923)

A second school of thought views engagement as being a single dimension, the behaviours of the consumer, most particularly those behaviours related to the firm or the brand. Writers in this tradition no longer restrict their attention simply to interactions between the firm and a customer, but also consider interactions between the firm and prospective customers, and interactions amongst consumers. Writers show an interest in transactional as well as nontransactional behaviours, such as consumer postings on corporate blogs or consumer subscription to a corporate Facebook page.

Active interactions of a customer with a firm, with prospects and with other customers, whether they are transactional or nontransactional in nature (Kumar et al., 2010, p. 297)

Customer's behavioral manifestation toward a brand or firm, beyond purchase, resulting from motivational drivers (van Doorn et al., 2010, p. 254)

Thirdly, perhaps the latest and most comprehensive conceptualization of customer engagement is the work by Brodie and colleagues (Brodie and Hollebeek, 2011; Brodie et al., 2011a; Brodie et al., 2011b; Hollebeek, 2011a). Brodie and his colleagues present a definition of engagement as a hybrid of psychological state, cognitive and affective, and a behavioural dimension.

Customer engagement (CE) is a psychological state that occurs by virtue of interactive, cocreative customer experiences with a focal agent/object (e.g. a brand) in focal service relationships ... It is a multidimensional concept subject to a context- and/or stakeholder-specific expression of relevant cognitive, emotional and/or behavioral dimensions (Brodie et al., 2011a, p. 260)

Malthouse and Calder (2011) take issue with Brodie's inclusion of a behavioural dimension to the definition of engagement, warning that to include consumer behaviours is to confound the engagement state with the consequences of engagement. They also hesitate to confine consumer engagement to just those experiences that are interactive and cocreative, suggesting that a consumer may engage with a focal object such as a radio station without having to demonstrate overt, interactive behaviours such as participating in a competition on the radio station. Van Doorn (2011) points to a further concern with Brodie's conceptualisation, and this is regards confining engagement to experiences within a service relationship; by contrast, van Doorn points out that consumer engagement with a brand often occurs in consumer-to-consumer interactions, outside the service relationship.

## ANTECEDENTS AND CONSEQUENCES OF ENGAGEMENT

Regardless of whether engagement is conceptualized as being a psychological state of the consumer, or as being the overt behaviours of the consumer, researchers in each tradition must be clear to distinguish engagement from its supposed antecedents and consequences. It would not be appropriate to conceive engagement as consumer behaviours relative to the firm, and also see the consequences of engagement as the behaviours of the consumer. Likewise, it would not be appropriate to conceive engagement as a psychological state as well as behaviours of the consumer (Malthouse and Calder, 2011). Either of these examples demonstrates confounding of engagement with its consequences.

The research tradition that views engagement as a psychological state, most often views marketing stimuli or consumer experiences with marketing stimuli as antecedents to consumer engagement. The consequences of an engaged psychological state are most often viewed as the behaviours of a consumer, such as the amount of time and money spent on the object of engagement.

The research tradition that views engagement as behaviours of the consumer relative to the firm, most often views the consequences of engagement to be psychological in nature, and include customer satisfaction, commitment, trust and brand loyalty.

## ALTERNATIVE THEORETICAL BASES OF ENGAGEMENT

Relationship marketing may prove an appropriate theoretical base for conceptualising engagement (Vivek, 2009). The core of relationship marketing theory is the relationship between a customer and a firm. The firm focuses on loyalty of the customer to the firm and retention of the customer by the firm, based on an equitable exchange of items of value between the parties. Service dominant logic (SDL) takes these concepts further, by proposing that service is the fundamental unit of all marketing exchange, and that value is co-created in the interaction between a firm and a customer (Vargo and Lusch, 2004, 2008). Taking SDL as their model of marketing, Brodie and colleagues view engagement as occurring as a result of interaction between a customer and a firm within a service relationship.

An alternative theoretical base for

conceptualising engagement is experiential consumption, the view that consumers seek value-creating experiences. Research on experiential consumption has a long history, stretching back at least thirty years. Holbrook and Hirschman (1982) first proposed the perspective of the consumer as experience-seeker, as an alternative to the consumer as information-processor perspective. While recognising that much consumer behaviour is utilitarian in nature, the experiential consumption perspective also recognises that consumers seek fantasies, feelings and fun (Lofman, 1991). Most recently, experiential consumption has been subsumed under the broad umbrella of consumer culture theory (Arnould and Thompson, 2005). Utilising an experiential consumption perspective, consumer engagement may be viewed as the result of value-generating experiences with consumption objects, whether or not those objects are presented by the marketer, whether or not the experiences occur within the firm-customer relationship.

## CUSTOMER ENGAGEMENT VERSUS CONSUMER ENGAGEMENT

The review of the literature of engagement in a marketing context reveals two incompatible views of engagement, which may be termed the firm-centric view and the consumer-centric view. Table 1 presents the key differences between these two approaches to conceptualizing engagement.

Customer engagement (the firm-centric view) takes the perspective of the firm, and what it can do to engage the customer, or prospective customer. Colloquially, this is the perspective of "I engage you"; the firm is seeking loyal customers and asking what it may take to grab the customer's attention and loyalty. From this perspective, engagement is defined behaviourally, as the manifest behaviours the customer or prospective customer participates in relative to the firm, the brand or activities initiated by the firm. Such behaviours might include word-of-mouth activity, referrals and recommendations, or posting of messages in online forums initiated by the firm. Antecedents to engagement behaviours might include involvement in the product category or interactivity with the firm's website. The consequences of engagement of most interest to those taking a firm-centric view are such matters as customer co-creation, satisfaction, brand commitment, trust and brand loyalty. Appropriate theoretical explanations for customer engagement are relationship marketing theory and service dominant

logic. Prominent scholars in this area are Bowden (2009), Brodie and colleagues (Brodie et al., 2011a), Kumar and colleagues (Kumar et al., 2010), van Doorn and colleagues (2010), Verhoef, Reinartz and Krafft (Verhoef et al., 2010) and Vivek (2009).

Consumer engagement (the consumer-centric view) takes the perspective of the consumer, and what engages them most. Colloquially, this is the perspective of "I am engaged"; the consumer is seeking value from their experiences, including utilitarian, hedonic and social value. Consumer engagement is defined as a psychological state, the dimensions of which are cognitive, affective and motivational. The consumer may be engaged with any object, whether initiated by the firm or not; they may be engaged with a firm or a brand, a medium, a website, a marketplace, an advertisement, an activity, an object of entertainment, a social group or community. The antecedents to the engagement state are specific experiences the consumer has with the object of consumption. The consequences of a high level of engagement are ongoing behaviour related to the object of consumption, including continued interaction with the object, time and money spent on the object, and social interaction with other consumers relative to the object. An appropriate theoretical explanation for consumer engagement is experiential consumption. Prominent scholars in this area are Calder and Malthouse (2008), Higgins and Scholer (2009), Mollen and Wilson (2010), and Phillips and McQuarrie (2010).

## CONCLUDING REMARKS

Both the firm-centric and the consumer-centric views are appropriate perspectives from which to understand and research engagement in a marketing context. If one takes as a base that consumers seek value from the activities and interactions in which they partake, this promotes a broad view from which to interpret the relationships a consumer has with the firm. In their activities and interactions, consumers seek functional, cost effective, convenient solutions to consumer problems. These are utilitarian benefits. But consumers may at times seek more. The may seek novelty, surprise, social interaction, fun, entertainment (Holbrook and Hirschman, 1982).

In today's world, objects of consumer engagement are not restricted to the offerings of the firm. Commercial organisations now compete for consumer attention and engagement not only with other market offerings, but also with any object of

Table 1 – Firm-centric versus Consumer Centric Conceptualisations of Engagement

|  | **Firm-Centric** | **Consumer-Centric** |
| --- | --- | --- |
| Construct | Customer engagement | Consumer engagement |
| Perspective taken | The firm | The consumer |
| Colloquially | "I engage you" | "I am engaged" |
|  | "I want a loyal customer" | "I want experiences" |
|  | "Grab the customer" | "I am hooked" |
| Nature of engagement |  | A psychological state of the consumer |
| Objects of engagement | Customer behaviours<br><br>The firm; the brand; activities initiated by the firm | Any object the consumer may experience, whether initiated by the firm or not: a firm, a brand, a medium, a website, a marketplace, an advertisement, an activity, an entertainment object, a social group or community |
| Dimensionality | Behavioural | Cognitive, affective and motivational |
| Antecedents to engagement | Involvement, interactivity | Consumer experiences |
| Consequences of engagement | Co-creation, customer loyalty, commitment, trust relative to the firm/brand | Ongoing behaviour relative to the object, including continued interaction with the object, time and money spent on the object, social interaction relative to the object |
| Theoretical explanation | Relationship marketing; service dominant logic | Experiential consumption |
| Key theorists | Bowden, 2009; Brodie et al., 2011a; Hollebeek, 2011; Kumar et al., 2010; van Doorn et al., 2010; Verhoef et al., 2010; Vivek, 2009 | Calder and Malthouse, 2008; Higgins and Scholer, 2009; Mollen and Wilson, 2010; Phillips and McQuarrie, 2010 |
| Empirical findings | Empirical research in this tradition has examined the impact of corporate website design on participation in online communities and consumer postings on corporate websites | Experimental studies in this tradition have established a link between engagement with a medium, advertisement or entertainment object, and the effectiveness of advertising |

experiential consumption available to the consumer. Clearly, consumers engage with YouTube videos and Facebook sites that are unrelated to commercial products. Consumers likely interact with those stimuli in their environment that provide them with most value. In other words, consumers likely engage with those objects of consumption that are most engaging, whether they are presented by the marketer or by some other agent.

If we take a consumer-centric view of engagement, there are implications for the firm. Firstly, we need to adopt a broader view of the forms of value a consumer may be seeking from market offerings. Holbrook (1996, 2006) would have us consider that consumers may be seeking not only a good price, convenience and quality from the market offering, but also may be seeking status, esteem, fun, beauty, justice or even spiritual fulfilment.

In today's world, firms compete not only on price and quality and levels of customer service, but compete for the consumer's time and attention. This is where an experiential view of the consumer should be considered. When consumers participate in social media related to firms, brands and consumption activities, they are not simply seeking functional value. They may seek social interaction, entertainment or fun. Molesworth and Denegri-Knott (2010, p. 371) take this view to one extreme:

If we accept that in an experiential economy consumers seek play, we might recognize that the market helps create exciting games and even that this could be a key role of marketing.

To investigate the consumer's relationship with objects of consumption, consumer engagement may appropriately be defined as a psychological state comprising cognitions, affect and motivational force towards a market offering, based on the value derived from the consumer's experiences with the market offering (Abdul-Ghani et al., 2011). The consequences of consumer engagement are ongoing use of the market offering, including time spent, money spent or earned, and participation in the community of users. Levels of consumer engagement are unique to the individual and their relationship to the object of consumption, and vary in intensity over time, as the consumer has further experiences with the object of consumption.

There is no doubt that the engagement construct is useful in marketing, and not merely a fad. Further theoretical and empirical work is clearly required to reconcile the opposing views on engagement that exist.

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# Rethinking Consumer Experience in Social Media – a Conceptual Approach

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## ABSTRACT

This paper identifies and discusses four ways in which social media have changed consumer experience: 1) *communalization* 2) *hyper-signification of mundane* 3) *mediation of physical experiences*; and 4) *flattening*. This conceptual exploration provides a motivation for further empirical studies of the impacts of social media on the lives of consumers.

## EXTENDED ABSTRACT

*"HEY!!! Finally... It's Snowing!!!!.... oh wait, I was hallucinating again... still in the 90's today... Hrumph." (Ron on Facebook)*

*"They're playing one of Amy Winehouse's last songs on the radio - "Our Day Will Come". Makes me sad; so ironic. RIP, Amy." (Kelly on Facebook)*

*"Copenhagen airport, sitting at Starbucks. They serve their coffee in porcelain mugs! How posh! But they also charge you €6 for a grande size latte.. posh, indeed :P" (Liisa on Facebook)*

A well-known philosophical riddle asks: *"If a tree falls* in a forest and no one is around to hear it, does it make a sound*?"* In the current age of near-instant global social media, one cannot help but wondering whether this thought experiment should now read as: "If something happened to you, and you did not Facebook it, did it really happen?" Social media with their real-time status-update and microblogging functions seem to be changing – even revolutionizing – the ways in which we keep in touch with others keep them informed about our lives.

Consumer experience is a widely elaborated concept in consumer research (Joy et al. 2004; Thompson, Locander and Pollio 1990). There exists a rich literature on consumer experiences and experiential consumption (Holbrook and Hirschman 1982; Lofman 1991), which in many cases is posed as opposed to utilitarian consumption (Havlena and Hollbrook 1986).

Merriam Webster Dictionary defines experience as something personally encountered or lived through. The personally lived nature of experience has also been stressed in consumer research (Goulding et al. 2009; Randall and Wood 2005). Consumer research has trended to emphasize the extraordinary and the exhilarating (Arnould and Price 1993; Celsi, Rose, and Leigh 1993; Sayre 1999), while some authors have turned their attention to the everyday experiences (Thompson et al. 1990). Experiences have also been explored in relation to different consumption settings (Dholakia and Schroeder 2001; Firat, Pettigrew and Belk 2011; Thompson and Arsel 2004), making physical surroundings the core of research into consumer experience.

In this paper we discuss some of the ways in which social media have changed and are changing the nature of consumer experience (Havlena and Hollbrook, 1992). We argue that social media are shaping experiences in at least four distinctive ways: 1) by making experiences more *public*, *widespread*, and *communal;* 2) by *rendering the mundane as significant*; 3) by *mediating the physical experiences*; and 4) combined with technological advances, by *flattening out the variety* of experiences.

## COMMUNALIZATION OF EXPERIENCE

If one were to stop at a café in the pre-social media era, the experience was likely to be private information, or at best information with very limited dissemination – "news" to be shared only with the person's immediate social circle, defined largely by physical proximity. Friends and family in another city, let alone on another continent, would never hear about it. In the contemporary hyper-connected settings, as soon as she "checks in" to the café with her mobile phone or tablet, the visitor is instantly linked to her social networks (see the opening quote of Liisa). If the visitor decides to make a text-based comment (as Liisa does), her friends are invited and drawn *into* what would have been in the past just an individual experience. Now, not only do they know about her being in the café, but they can participate in the visit vicariously, commenting on and "liking" whatever she is doing physically and "saying" in a digital space. The visitor also filters her public experiences, as she sculpts and shapes her public images through selecting the experiences she

wants to draw her friends into. From the seemingly mundane ponderings over the weather, and reports on the everyday occurrences, to the life-altering events of becoming a parent or getting married, the whole range of our experiences are thus becoming increasingly *public*, *widespread*, and *communal*.

## HYPER-SIGNIFYING THE MUNDANE

Most of the experiences and information that are shared in social media spaces are mundane musing about ordinary occurrences. This is, of course, understandable as most of the things take place in our everyday lives, are mundane and ordinary. On social media such as Facebook, however, all the postings are shown up as "stories" in a "news feed". The electronic spaces of social media– at least in their current stage of development– do not provide ways to prioritize or to signify the importance of stories. Thus, remarks about the weather or reflections on the song playing on the radio become just important as posts about the economic crisis or the latest scientific discoveries. Social media are lowering the barrier of what is considered significant enough to share, and also *making the mundane not just significant but even sometimes hyper-significant*.

Thusly, Facebook postings, microblogs, tweets and other social media communications are undifferentiated spaces in terms of the relevance or importance. Since the connected networks of people (friends, contacts, subscribers) are attuned to paying attention to all incoming social media communications, the choices become stark and often binary: accept all or reject all such communications. From the senders' perspective, the challenge is somewhat different: it they do not want to get blocked or "unfriended" in massive ways, they have to shape the messages, however trivial, in ways that appear clever, witty, and interesting. Thus, the ordinary is rendered significant also via deliberate efforts of those who manage large networks of friends, followers, or subscribers.

## MEDIATION OF PHYSICAL EXPERIENCE

With social media the virtual world is "spilling into" the physical world, and intersecting and interacting with corporeal experiences. To "make" experiences and events tangible, to make them "actually happen", people often feel that the corporeal happenings need to be published in social media.

Consequently, social media are often present as "co-observers" of what we are experiencing in the material world. As we need to be able to illustrate and portray our experiences online, we need to constantly record (via photo, video, voice or text) what is happening. Whereas having one's mobile phone turned on during the dinner conversation used to be considered poor etiquette, nowadays the visible display of one's smart phone is almost to be expected. Such electronic mediation of corporeal experiences has a two-fold impact: (1) the physical experience is shared with one's social network in practically real-time, and (2) the physical experience if often enhanced by supporting comments and "likes" that often occur near-simultaneously — from remote and vicarious experience sharers.

## FLATTENING OF EXPERIENCE

Technological advancements have made it possible to accomplish many of the things that previously required changing of locations, or specialized accessories and equipment, without ever leaving our own homes, or even our desks. With the right hardware and software it is possible to enjoy music, watch movies, read books, and run errands, etc. at any physical location where one has Internet access using a screen-based device. Thanks to social media we can now add one more item to that lis: socializing and communicating with friends.

In a sense, then, experiences are becoming more confined in terms of physical environments, settings, accoutrements, and prosthetic elements: they are "flattening", literally in terms of a flat screen; and metaphorically in terms of variety. While flattening has been going on for some time with the steady advance in technologies, social media have reinforced it. Sometimes portrayed in cartoons or amusing videos, but also often observed in everyday life, it is not unusual to see a group of young people in a shared physical space – but with each individual partly focused on a screen-based device. The flattened experiences are thus also increasingly becoming mediated experiences, with tendencies to shun corporeal face-to-face encounters and interactions.

## CONCLUDING OBSERVATIONS

Social media, especially those forms that connect us to others on a personal rather than merely on a professional and informational level, can have significant impacts on the nature and variety of consumer experiences. Facebook in particular has communalized experiences in ways that were not possible before, while at the same time turning even our ordinary and seemingly unremarkable doings and

thoughts into news. Moreover, we can observe an interesting interspersing of the physical and virtual worlds, which is facilitated by the constantly smaller and more portable technical devices profoundly altering our sense of location – we can now, in fact, be at two places all at once.

While marketing literature has recognized social media and other online environments as important contexts for co-creation, brand image building, and word-of-mouth communications (Fogel 2010; Kotzinets et al. 2010; Vanden Bergh et al. 2011), thus far there exists relatively little empirical research that addresses the nature of consumer experience in social media contexts. In this paper, we identified four significant ways in which social media are transforming and altering the nature of experience. These transformations discussed are not exhaustive at present, and certainly not in the constantly evolving future, but we hope to signal the changes that are occurring, and thereby provide a motivation for further empirical and theoretical explorations of the emergent impacts of social media on the lives of consumers.

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# Effect of Unrelated Product Offers on Product Evaluations:
## The Role of Construal Level

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## ABSTRACT

Existing empirical work shows that providing consumers with product offers that are unrelated or irrelevant can sometimes decrease a product's overall attractiveness (Simonson et al, 1994; Thota and Biswas, 2009), while some other studies show that such an offer enhances the product evaluation (Carpenter, Glazer and Nakamoto, 1994). The present study proposes construal level as a moderator to the effect of an unrelated product offer on product evaluation. We also test product inference as an explanation for the results obtained by introducing inferential judgement as a mediator to the influence of construal level on the evaluation of the product with an unrelated product offer.

## EXTENDED ABSTRACT

Sales promotions often include gifts that are unrelated to the core product on offer (Thotas and Biswas, 2009). An example of such an unrelated product offer is an electrical megastore offering consumers a free fuel voucher with the purchase of electrical goods. Existing empirical work shows that providing consumers with product offers that are unrelated or irrelevant can decrease overall attractiveness of a product (Simonson et al, 1994) and may even irritate consumers (Thota and Biswas, 2009). However, other studies show that adding an unrelated attribute can enhance the evaluation of the brand, even when consumers acknowledge that the irrelevant attribute is unimportant or unrelated (Carpenter, Glazer and Nakamoto, 1994). Some research tries to reconcile and explain these mixed findings using moderating variables including choice set size (Brown and Carpenter, 1994) and choice context cues (Broniarczyk and Gershoff, 2003), however only limited attempts have been made to look at psychological processes as an explanation (or moderator) to these mixed findings. This study focuses on construal level as a factor that influences the psychological process to the extent that it acts as a moderator of the effect of an unrelated product offer on product evaluation. Hence, the present paper proposes that the effects of unrelated product offers on product evaluation depend on the level of construal.

Construal level theory states that people organize their knowledge around concepts in a hierarchical structure whereby certain events are represented using high level and abstract or low level and concrete construal (Liu, 2008). Prior research finds that psychological distance influences the level of construal whereby greater distance yields a superordinate, ends related, abstract construal, while lower distance yields a subordinate means related concrete construal (Trope and Liberman, 2000; Yan and Sengupta, 2011). We hypothesize that consumers make inferences about the unrelated product offer such that the use of an abstract, high level construal elicits more positive inferences about an unrelated product offer than a concrete, low level construal, thereby influencing the overall evaluation of the product.

We conduct five experiments to test our hypotheses. The first experiment examines the interaction between psychological distance and the unrelated product offer. The study manipulates psychological distance using a temporal perspective and a social perspective, following other research that has used similar manipulations of psychological distance (Kim, Zhang and Lee, 2008; Liviatan, Trope and Liberman, 2006). It employs a 2x2 between subjects design with factors psychological distance (distant, proximal) and in-store promotion (unrelated product offer present or absent). Psychological distance is manipulated using a task adapted from Kim et al, (2008) and the product scenario is adapted from Simonson et al (1994).

The second study uses different manipulations of temporal construal and a different product. Temporal framing is manipulated as temporal distance (Chandran and Menon, 2004). The product description is presented in words instead of the numerical values in study 1. To test our hypotheses across different types of product, study 2 uses an abdominal machine as the product (adapted from Thota and Biswas 2009) instead of the downjacket used in study 1 (based on Carpenter et al, 1994; Simonson et al, 1994). A third experiment manipulates construal level using a 'why' (abstract construal) and 'how' (concrete construal) manipulation task (Freitas, Gollwitzer and Trope, 2004).

Results obtained from the three experiments

show that in the psychological distant or abstract construal condition, participants rate the product with the unrelated product offer higher than the product without the unrelated product offer, whereas in the psychological proximal distance or concrete construal level condition the opposite effect is observed, with participants rating the product with the unrelated product offer lower than the product without the unrelated product offer.

Study four aims to test inference making as the underlying mechanism for the results obtained in studies one to three. The experimental design for this is similar to study 3, except that the participants are asked to also rate the value and attractiveness of the unrelated product offer. Results show that the use of abstract, high level construal elicits more positive inferences for an unrelated product offer than the use of concrete low level construal.

Finally, in study five, we add and test a condition where the presence of the product offer is indicated but no details of its nature are revealed. We expect that the vague description of the product offer will magnify the extent of inferencing, resulting in a larger impact of the unrelated offer on the evaluation of the overall product in the distant compared to the proximal distance condition. Using a 2 (psychological distance: distant, proximal) x 3 (Product offer: unrelated, yes, no), the results show, as expected, a larger difference in product evaluations between the three product offers in the distant than proximal condition.

With these five experiments, our paper contributes to the literature on psychological distance and construal level by suggesting that construal level and psychological distance, specifically temporal and social distance, are moderators to the effects of unrelated product offers on product evaluation. The product with the unrelated product offer is rated higher than the product without the unrelated product offer when psychological distance is high, and it is rated lower when psychological distance is low. Similarly, the product with the unrelated product offer is rated higher than the product without the unrelated product offer in the abstract construal while being rated lower in the concrete construal condition. We also test product inference as an explanation for the results obtained and find that the use of abstract, high level construal elicits more positive inferences for an unrelated product offer than the use of a concrete low level construal. This supports the proposed psychological process. In sum, our

research contributes to the construal level literature by introducing inferential judgement as a potential mediator to the influence of construal level on the evaluation of the product that includes an unrelated product offer.

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# Mitigating the Negative Effects of Violent Video Game: A Perceived Invulnerability Explanation

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## ABSTRACT

This research draws on the information processing literature to explain why some video gaming elements (e.g., life-saving potions) but not others (e.g., death) may heightened consumer's perceived invulnerability, which in turn increases their intention to engage in various adventurous consumption (e.g., speed dating) in the real world.

## EXTENDED ABSTRACT
## CONCEPTUALIZATION

Isn't it cool if game producers can produce a violent video game without worrying the negative impact of it on consumers? This research sheds light on this possibility; and we believe it is possible.

Many video games contain violent elements (e.g., killing monsters in role-playing games, hunting other players in first-person shooting games, destroying other's armies in war games, just to name a few). While players play the games, they experience the violent elements, which may influence their cognitions and behaviors. Some argue that playing violent video games cause players to have aggressive cognitions and/or behaviors, such as developing aggressive scripts (Smith, Lachlan, and Tamborini 2003), being more physically aggressive (Möller and Krahé 2009), and engaging in bullying behavior (Olson et al. 2009). However, some other studies found that video games may not cause players to have violent cognitions or behaviors (e.g., Ferguson 2007; Fischer, Kastenmüller, and Greitemeyer 2010; Schmierbach 2010; Shibuya et al. 2008). Therefore, it is inconclusive as to whether video games cause players to have violent cognitions and behaviors.

We postulate that it is not the category *of* the game but the specific elements *in* the game that prompt aggressive cognition. In general, little research has examined what specific elements in the video games have caused violent cognitions or behaviors. The review of the extant literature suggests that more research should investigate *what* specific gaming elements in the video games—not the video game per se—may lead to violence and other undesirable consumer behaviors, such as adventurous consumption. In addition, it is equally important to

understand the cognitive process of these gaming experiences and their consequences. In other words, more research should be done to examine not only *what* but also *how* specific gaming element leads to various consumer behaviors.

This research is aimed to reconcile the findings of previous literature by examining specific gaming element in video games. It applies theory in cognitive processing to explain how gaming experience cueing the player's mortality may influence their attitudes. In particular, this research examines 1) whether the violent gaming elements relating to death, resurrection, and immortality influence consumer cognitions and behavioral intentions, 2) what cognitive processes may underlie those influences. Specifically, we believe that some video games elements may cause players to increase their perceived invulnerability, and increase their intention to participate in adventurous consumptions; we also believe that some video game elements may cue mortality in the player's mind, and increase their intention to participate in cultural-related consumptions.

This research contributes to our understanding in the underlying process of how video gaming elements influence consumer behavior by drawing on the literature on ease of retrieval as information, information accessibility, and terror management theory. Players are often exposed to dangerous, often life threatening situations in gaming violence. We expect two independent mechanisms may influence consumer reactions to such an exposure: 1) the perception of invulnerability increases adventurous behaviors and 2) the salience of mortality leads to cultural-related consumptions.

## PERCEPTION OF INVULNERABILITY

Gaming may heighten one's perceived invulnerability. The players are frequently featured as superheroes who can jump from high height, party nonstop seven days a week, or charge the opponents players in a football field with little health consequences. Furthermore, many video games contain gaming elements (e.g., foods, first-aid kits, miraculous potions) that prevent the players from dying in dangerous situations,

sometimes even resurrect the players from death. Players who play a lot of these games are likely to believe that these activities are not as dangerous or harmful and may hold a positive attitude towards the act, at least in the virtual environment. In general, these experiences give the players a sense of invulnerability and increase their willingness to take risk in the virtual world. The information is encoded in their memories and the retrieval of such information should become chronically accessible when they are frequently exposed to these experiences (Raghubir and Menon 1998). When consumers face similar situation in reality, they may intend to behave similarly; for several reasons: 1) script is ready and rehearsal was done; 2) instrumental conditioning with favorable outcome; 3) they are not likely to recall the sources of information (Jacoby et al. 1989). Consumers may not recall whether the experience happened virtually or in the reality, but they perceive themselves to be less vulnerable; thus, they are more willing to engage in behaviors that pose danger to themselves and/or others around them, as these behaviors are now less or not harmful/dangerous. For example, they may think it is safe to ride a bike without a hamlet, or they are willing to meet online stranger in the real world. Thus, we hypothesize that:

**H1:** Invulnerability-related gaming element has a positive impact on players' willingness to engage in adventurous consumption. This relationship is mediated by one's perceived invulnerability.

## FACING DEATH

If the above logic—*it is the gaming elements in the video games that give the players a sense of invulnerability which in turn leads to aggressive (or adventurous) behavior*—is correct, we should be able to identify another type of gaming elements that are present in violent games but have a different impact on consumers. The closest element is death. That is, gaming may heighten the awareness of one's inevitable death. The death-related gaming elements are stimuli that cue players of their mortality, and players may feel terrible as death comes not only on their avatars, but also to themselves in real world. According to terror management theory (Greenberg, Solomon, and Pyszczynski 1997; Pyszczynski, Greenberg, and Solomon 1999), when individuals are first reminded of their mortality, and thoughts of death are in conscious awareness, they engage in proximal defenses such as distancing and denial, such as avoid playing video games. However, when

thoughts of mortality are accessible but outside of conscious awareness (e.g., after playing the games), individuals pay cognitive and behavioral efforts to engage in unconscious, distal defenses to defend their cultural worldviews. Therefore, terror management theory predicts that players who face death-related elements in video games may have higher intention to participate in cultural-related activities. For example, Chinese people may be more willing to leave their fortune to their descendants after death; and they may be more willing to celebrate various Chinese traditional festivals after playing video games with death-related elements. Thus, we hypothesize that:

**H2:** Death-related gaming element has a positive impact on players' willingness to engage in cultural consumption, but have no impact on player's willingness to engage in adventurous consumption.

## METHOD

This research is conducted by using a survey approach. The questionnaire measures 1) the respondents' past experience in online gaming activities, 2) their evaluation of the various aspects of an online game that they have frequently played in the past six months, such as the degree to which the game contains death-related and/or invulnerability-related elements, 3) their perception towards mortality and invulnerability, and 4) their intentions to participate in adventurous and cultural consumptions. Screening questions were added to ensure each respondent has online gaming experience in the past six months at the time of the data collection. Two set of data were independently collected from two tertiary institutions in Hong Kong in November 2010 (n = 237) and in February 2011 (n = 130).

## MAJOR FINDINGS

The results found that 1) longer exposure to gaming with invulnerability-related elements lead to higher adventurous behavioral intention in all three adventurous activities (i.e., try new products, participate in speed dating activities, and meet with online friends); 2) the mediating role of perceived invulnerability is supported by hierarchical regressions; 3) longer exposure to gaming with death-related elements lead to higher cultural consumption intention in two of the three cultural-related activities (i.e., watch dragon boat races during Duanwu Festival, visit relatives during Chinese New Year, but not in leaving a fortune to their children after death); 4) longer exposure to gaming with death-

related elements have no impact on adventurous consumption intention, after controlling the influence of the invulnerability-related elements in the game.

## CONTRIBUTIONS

This research contributes to the literature in at least three ways. Firstly, it suggests an alternative perspective to the research examining online game violence. It suggests future research to examine specific gaming element may lead to aggressive cognition/behavior instead of debating whether violent game as a whole lead to violence. Secondly, this research applies the theory in information processing and terror management in a meaningful context, hoping to mitigate the negative impact of game violence. It suggests that game developers can reduce the players to engage in harmful activities by making the avatar controlled by the player less invulnerable in the gaming environment; educators may develop realistic game where players can learn how vulnerable they actually are in different harmful situations. Thirdly, this research provides the initial evidence to identify two possible underlying mechanisms to link online game play with specific consumer behaviors.

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# An Exploratory Study Correlating Quintessence with Brand-Related Behaviour and Perceptions of Value

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## ABSTRACT

Quintessence is a socially-constructed, phenomenological experience in which products ascend from the mundane to the sacred. Although quintessence can be constructed in several ways, this paper examines quintessence that arises from customer-perceived perfection in form and function during the product experience. The authors use quantitative data from an Australian online video entertainment rental service to correlate quintessence with other brand-related behaviours. The literature review explores the connection between quintessence, which comes to marketing through Consumer Culture Theory, and Service-Dominant Logic. The results indicate positive preliminary correlations between quintessence and perceptions of value, cultish behaviour, word of mouth marketing, and customer satisfaction. The authors also begin to draw a correlation between quintessence and customer evangelism.

## INTRODUCTION

Consumer religiosity is a concept pioneered by Russell Belk over twenty years ago. Recently, as individuals use digital platforms to express themselves as consumers and individuals, the ideas around consumer religiosity are becoming more relevant to academia and industry.

A recent study of Customer Evangelism (Collins & Murphy, 2009), proposes a model that includes the concept of quintessence as the igniter for extreme word of mouth behaviour by particularly devoted brand community members. This paper examines quintessence, and attempts to quantify it. This builds on a previous smaller study about quintessence by the same authors (Collins, Murphy, & Glaebe, 2011).

A seminal paper in 1989 introduced the concept of quintessence (Belk, Wallendorf, & Sherry). Quintessence is a means by which an object transcends its profane status and enters the realm of the sacred from the consumer's point of view. Quintessence differs from *Quintessential*, a similar term. Quintessential objects are imbued with qualities that make them iconic. They suit their purpose exactly, in effect a perfect specimen of what they should be. Examples include the Q-tip, Ray-Ban sunglasses, the Volkswagen Beetle and Coca-Cola (Cornfield & Edwards, 1983).

Quintessence is phenomenological, and socially and culturally constructed by the individual. It arises from an authentic, experiential component of product use. It is a type of magic when the planets align in a cultural sense; the product experience transcends the ordinary for an individual in a given space and time. The consumer then transfers the sacredness of the experience to the object itself, imbuing it with sacred qualities. Although studies have examined religiosity in iconic products (Arnoud & Thompson, 2005; Belk, 1988; Belk & Tumbat, 2005), the authors of this paper had the opportunity to explore consumer religiosity in a service context for what would be considered a more mundane product (entertainment rental services) than religion.

This paper complements a wide study of Customer Evangelism, of which quintessence forms an essential part (Collins & Murphy, 2009). Quintessence, it is posited, is akin to a switch that turns "on" a unique energy and enthusiasm for a product that shapes behaviours and points of view. Quintessence transforms the consumer's life. Although this paper does not look at Customer Evangelists, some of the behaviour resulting from the examination of quintessence suggest behaviour consistent with Customer Evangelism.

This paper uses an existing consumer satisfaction survey to examine quintessence and the correlation between quintessence and specific behaviours and views about the product and the brand.

## THEORETICAL PERSPECTIVE

Quintessential products can be designed with intent. Steve Jobs of Apple was renowned for his ability to engineer the quintessential computer, MP3 player and smartphone. He would attempt to integrate design and function that was aesthetically pleasing and enhanced the consumer experience.

Quintessence is not imbued into a product, because it originates from the user's authentic experience; not the producer's. One can have quintessence with something as complex as a smart phone or something as simple as a Christmas tree. This is because the experience is fully constructed by the consumer. From a theoretical perspective, this constructivism limits the paradigms to examine quintessence and other phenomenologically based consumer experiences. Consumer Culture Theory and Service-Dominant Logic provide the paradigms and theoretical basis for exploration of this phenomenon.

## CONSUMER CULTURE THEORY

Consumer Culture Theory (CCT) is a group of theories centred on consumers and their identities, as individuals and collectively. CCT approaches consumption as a sociocultural practice, examining relationships among individuals, groups, culture, and consumption (Arnoud & Thompson, 2005).

Consumers, through the marketplace, create a bricolage of their identity (Miller, 2003). The choices about their consumption are rooted in context. Advertising and the media compound consumer identification with consumption, and encourage people to find meaning in products (Featherstone, 1991). The symbolic value of products can, therefore, substitute for other aspects of cultural life that are on the wane, such as organized religious activity (Putnam, 2000).

Producers therefore manufacture more than goods and services; they are manufacturing culture itself—and for a profit (Miller, 2003). Every time someone consumes the product, or the media around it, the cultural object becomes validated in its place in the cultural context.

## QUINTESSENCE: CONTEXTUAL AND SACRED

Quintessence stems from the subjective experience. This experience is contextual, relying on specific feelings arising from experience-in-use. Whereas, other concepts such as flow and affinity rely on psychological feelings (Csikszenthmihalyi, 1997), quintessence arises from a cultural perspective. This is because the religiosity aspect of quintessence has a specific type of cultural significance, and feeds into identity in a cultural way.

For example, commonly quintessence is felt for engagement rings. The cultural context of a wedding, and marriage, give these rings their significance. However, not every engagement ring carries that type of religiosity of feeling for the wearer.

For some, their wedding and the marriage afterwards changed their life in such a positive way that they imbue their jewelry with the feelings present for those occasions. The ring's personal value is much higher than its market value. The experience of wearing the ring is ritualistic. The ring symbolises the emotional and the sacredness of marriage, and the ritual promises inherent within the contract.. Mixed into those feelings are the memories of the proposal, the first impression of the ring, the size of the stones and how both she and others thought of the proposal, the husband and the ring.

If a marriage fails, the symbolic value of the ring also changes. Quintessence with a ring during a marriage may look quite different to a bride after a divorce. The variance in quintessence stems from the feelings that arise from the product-in-use. As quintessence arises from the product-in-use experience, a relevant marketing paradigm through which to view quintessence is Service-Dominant Logic.

## SERVICE-DOMINANT LOGIC

Service-Dominant Logic (SDL) posits that value does not arise from exchanging products, nor are products imbued with value. Value arises from products in use—from the experiential, or service, component of products (Vargo & Lusch, 2004). This significant departure from a goods-based paradigm opens the door for a thorough examination of the phenomenological and cultural perspective inherent in the product experience.

Goods-based paradigms restrict the product experience to delivering on the promise imbued within the product. The experience arises from what the producer has infused into the goods and that value is uniform across all the products in the same batch (Vargo & Lusch, 2004).

Goods-based logic then, would argue that the symbolic value of an engagement ring is imbued within the ring itself. The sacredness of marriage is part of what the husband-to-be purchases and when he gives the ring to his bride, she derives value from the positive matrimonial experience the ring gives her.

From an SDL perspective, the groom purchases the ring for his bride, and in doing so obtains an object with the potential for value within it; however no value is yet realized. When the ring

is in use, as part of the proposal, ceremony, or worn afterwards, the bride's feelings toward the ring are the value-in-use she co-creates with the producer and other actors in the value network—one of whom is her husband (Lusch, Vargo, & Tanniru, 2010) Her feelings toward her husband reflect back to her in the ring while it is in use. These reflections could include the size of the stone, and what others think of it, as well as her views on marriage, her thoughts about how much the ring cost, her impressions of other rings and the ring as a marker of her status as a wife-to-be. How important these things are to her at the moment she experiences the ring play a role in how the value is created; and that changes over time. SDL accounts for the variances inherent in phenomenological experiences as it allows for individual experiences of using the product to be the centre of the creation of value, rather than the product itself.

Quintessence is an authentic connection arising from the moment in use. Generally, once experienced, the quintessence halo effect touches subsequent experiences, unless something drastic (in the case of the engagement ring, a divorce for example) changes it.

The halo effect of quintessence has yet to be explored in the literature. How can one tell if someone has quintessence? How will they describe quintessence? And how does the halo effect correlate to their other behaviours? The next section examines quintessence closely and then leads in to an exploratory quantitative study.

*Investigating Quintessence*

Quintessence arises in a variety of contexts. Family heirlooms often have quintessence to their owners. The cultural and historical significance of an object passed on to family members over time affect how the owners view it. Gifts may also have quintessence to the receiver, depending on the social and cultural context, and on the value of the gift to the receiver (Belk, et al., 1989). Collectors often have quintessence toward specific objects in their collection that are rare or unique (Belk, et al., 1989).

The focus of this paper, however, is not the quintessence achieved through family heirlooms, gifts or collections. This paper investigates a product perceived as authentically achieving perfection in form and function; all other versions of the product (other models, other brands and the competition) are simply not what they should be. Quintessence based on form and function can relate to quintessential

products; however this is only if the consumer perceives the quintessentialness. An example is the smart phone made by Apple, Inc—the iPhone.

For many, the iPhone is the quintessential smart phone. Other phones predated the iPhone, the Blackberry for example. And many phones after the iPhone, Android-based phones for example, draw on the principles of design and function engineered by Apple. The iPhone is the quintessential smart phone because it was the first such phone that encapsulated the form and features that attracted mainstream smart phone users. The smart phone is still a minority of the mobile phone market. Some would argue that, from a technical perspective, it is not a well-built smart phone. However it is the iconic model and the one with the highest profile in western countries.

Even though the iPhone is the quintessential smart phone, a minority of iPhone users will experience quintessence with their phone. And when they do experience quintessence, it is generally not with their particular phone rather with the brand and the type of product. The quintessence can transfer to a new model, or another iPhone if they lost their original one.

Quintessence in this context is the authentic consumer experience with the product. The user experience is so profound that the user credits the product with a life changing, sacred experience. This life changing experience is rooted in the existential; that is, it is the product in use that delivers the feeling of authenticity, of rightness, of perfection, of something beyond the profane (Belk & Tumbat, 2005; Belk, et al., 1989; Wang, 1999). Quintessence arises from that feeling and the halo effect resonates beyond the product itself. This study uses a quantitative methodology to examine the halo effect that quintessence delivers.

**The study:** *The online video entertainment rental service (OVERS)*

This study draws on a data set from a recent Australian customer satisfaction survey. The researchers analysed the data for by selecting survey questions that reflected behaviours relating to quintessence. The company is an Online Video Entertainment Rental Service (OVERS), where members pay a standard monthly fee to order video entertainment. The customer can select from a variety of plans, and can cancel at any time—there are no contracts or obligation on behalf of the customer to continue with the service.

Once a member, the customer logs on to the web site and selects from tens of thousands of videos and games to rent. They can organize the titles in their queue in any order they wish. OVERS then selects the highest ranking available title and posts it to the member through surface mail. The member keeps the title as long as they like; there are no late fees or return dates. Once the video is returned (via pre-paid post), the company dispatches the next highest-ranking available title in the member's queue.

OVERS membership fluctuates, with 60,000 and 70,000 members across Australia. Each year OVERS offers one 12-month free plan as a prize for a randomly selected member who completes a customer satisfaction survey. The following data is from the September 2010 survey.

**The survey:** An external online survey provider hosted this survey. The link to the survey was delivered to all current subscribers by email, promoting the prize. The OVERS membership team designed the survey and the number questions ranged from 60 to 70; many questions had subcategories that were questions in themselves. There were no required questions to complete.

The survey asked demographic, psychographic and behavioural questions and questions relating to the respondents purchasing and consumption habits and preferences. The answer formats varied with most measured on a multi-point scale. Four reverse-coded questions in the survey relating to psychographic and behavioural data were used to validate cases.

The data from the OVERS survey was not designed for academic analysis, and therefore the survey and the data are lacking in some respects. The survey was long; and answers may have been more accurate with a shorter survey. The response scales differed from question to question. These factors led to unusable cases as validity could not be verified. Deleting cases where the respondent took less than a minute to respond to all the questions, demographic data not answered and at least two of the four reverse coded questions were invalid left 3,995 valid cases. A previous study using the same data set explored relationships between quintessence and extreme word of mouth behaviour on the full data set (Collins, et al., 2011).

To discover which of the members had quintessence, the authors selected one survey questions as their "quintessence-related" question: "My life wouldn't be the same without OVERS".

Respondents who answered "yes" were labeled "quintessence-positive" or Q+. Those who answered in the negative were Q- or "quintessence negative". The Q+ respondents had significantly (p<.001) more females (35%) than males (29%) and similarly, significantly (p<.001) more rural (37%) than urban (30%) residents. Furthermore, the sample (n=3995) over-represented by females (62%) and to some extent, urban residents (35%). In Australia, one third of the population live in urban areas (Capital City Growth in Australia, 2011). As large samples (n=3995) may yield false positives, the researchers stratified the sample (n=600) to provide an even distribution of males and females, as well as one-third rural residents and two-thirds urban residents.

## FINDINGS AND DISCUSSION

### Q+ population is in the minority

Based on the literature, the authors estimated that the Q+ population would be about 10% of the sample. The Q+ population came in higher (33%) in the total sample (n=3995) and (31%) in the stratified sample (n=600). The higher number may be because OVERS members who completed the survey were predisposed toward the product, and therefore this survey produced more of a pro-OVERS population. If OVERS members were randomly selected to answer this question, the expectation is that Q+ may be less than 30%.

### The Q+ population does not significantly skew toward either gender

The total survey population (n=3995) was predominantly female (62%), hence the Q+ population (35%) skewing female seems understandable. However, the stratified sample (n=600) adjusted for the skew toward females, with 50% in the sample identifying as female. In this sample, 86 of males and 98 females were Q+. Although in the expected direction, this was not a significant difference (p=0.288) to build on the assumption that for this product, the Q+ population would skew female.

### People in rural areas are more likely to be Q+ with this product

In Australia, two thirds of the population live in urban areas, with one third living in rural areas of varying densities, regional to remote (Capital City Growth in Australia, 2011). In the total survey population (n=3995), 35% of respondents identified

themselves as living in a rural area, which is over representative of the Australian population. That the Q+ respondents in the overall sample also had an overrepresented population of individuals from rural areas makes sense.

The stratified sample (n=600) adjusted for locale by providing a distribution of one-third rural and two-thirds urban respondents. Even with this adjustment in the stratified sample, the percentage of rural users who were Q+ was 38%. The urban population, two-thirds of the sample, only had 27% identifying as Q+.

Why would OVERS resonate more strongly in a rural context than in an urban one? One possibility is access. Rural areas in Australia would not have the population to sustain wide varieties of entertainment choices, and local entertainment rental services lack the depth or breadth in their collections to compete with OVERS. If one is predisposed to consider entertainment important, a film aficionado for example, access to a wide enough variety of titles would be very important. Moreover, movie theatres in rural areas tend not to show foreign and independent films, and therefore rural residents would not get the opportunity to view hard to find films or even non-mainstream titles.

Moreover, distances in rural areas may be vast and a postal delivery service is convenient. Internet access can be patchy outside urban areas, and the ability to stream entertainment over the internet may be limited. Hence the postal options may resonate strongly with rural audiences.

*Q+ respondents were less likely to own their own home or have high incomes*

Of those who owned their own home, 26% were Q+; of those who did not own their own home, 38% were Q+. Furthermore, when looking at income, 73% of respondents whose income was under $20,000 per year, less than a full-time minimum wage in Australia, identified as Q+. This result suggests that quintessence tended to be strong amongst those who were unwaged, such as stay-at-home parents, for example, the elderly, or those who worked part time such as young people and students.

Generally speaking, as one moved up the income ladder, the less likely that the respondent would be Q+. In the highest income brackets ($100,000 and above) quintessence varied between 21% ($100,000-$120,000) and 28% ($150,000+).

OVERS fees would be a substantial portion of income for those who earn under $20,000 per year. Their choice to invest in the service is a signifier of how important entertainment is to them. Those with higher incomes have access to more resources and therefore are less likely to view purchasing the service as a high involvement decision.

*Q+ populations were more likely to engage in cultish behaviour*

In studies about brand cults (Belk & Tumbat, 2005), brand communities (Muniz & O'Guinn, 2001), consumer tribes (Shanker, Cova, & Kozinets, 2007) and subcultures of consumption (Chalmers & Arthur, 2008), members of a community are more likely to believe they have something in common with other members than the general population. Consumption is part of one's identity and a bond among users of the same product.

A Mann-Whitney test of likert-scaled questions in the stratified sample, with quintessence as a binomial variable, indicated that Q+ populations were more likely to engage in cultish perspectives with the OVERS community. Members with quintessence think that they have a stronger bond with other OVERS members based on their love for entertainment generally ($p<0.001$). More research in this area would be needed to understand how this behaviour would manifest, whether through more credibility given by Q+ individuals to online community postings. Or perhaps Q+ individuals are more likely to communicate with each other within and outside the online OVERS environment.

*Q+ populations are more likely to perceive value in OVERS and not in the competition*

Mann-Whitney tests on the stratified sample also indicated that the perception of value amongst the Q+ individuals is high, and grows over time. Unsurprisingly, Q+ members compared to Q- members were more likely to continue their membership ($p<0.001$) and more likely to indicate their household is satisfied with their membership ($p<0.001$). They were also more likely to indicate that in the last six months, the value of their membership had increased ($p=0.014$) within the last six months.

Relative to Q- members, Q+ members were more likely to eschew the competition, indicating that their DVD store did not stock a wide enough range of titles ($p<0.001$) and they had not used a local DVD rental store for at least the last few months ($p<0.001$). They were also less likely to visit their local DVD

store in future (p<0.001).

The above analysis suggests a cogent point. In a service-delivery business, such as entertainment rentals, where an ongoing subscription is required and can be terminated by the member at anytime, loyalty is a financial lifeline. The importance of quintessence in service-only products or goods-based products that require frequent purchases or subscriptions can be more paramount than in industries where purchases are limited.

Certain service aspects resonated with Q+ users more than the Q- users. Their perception of value for money was significantly higher (p<0.001), as were convenience (p<0.001), the ability to get the titles of their choice (p= 0.027) and the huge selection available (p= 0.002). Items which the Q+ members indicated were important to them were OVERS emailing them suggested new titles (p= 0.013) and the quick delivery of titles (p= 0.029).

All of the above speak to Belk's argument for perfection of form and function (Belk, et al., 1989). Quintessence is more than the content of the service or how it is delivered that resonates. The gestalt of the experience, wrapped up in the way that the customer perceived the importance of entertainment in their life, their access to it and more, bring on the feeling of quintessence.

### Q+ populations are more likely to spread word of mouth in an evangelistic way

A previous study (Collins, et al., 2011) using the entire sample (n=3,995) found a significant positive relationship between quintessence and extreme word of behaviour. The data in this sample (n=600) was subject to different tests and yielded the same results, with the Q+ population having recommended the service to others significantly (Mann-Whitney, p<0.001) more often than the Q- population.

The Q+ population also indicated that showing other how to use OVERS was important to them (p<0.001) and that they were more likely to recommend OVERS in future than the Q- population (p<0.001). They also were more inclined to indicate that showing other people how OVERS worked was important to them (p<0.001). Q+ members indicated feeling compelled to share knowledge if they know someone else will benefit from the knowledge (p<0.001).

The Q+ populations seem to believe their familiarity with OVERS is knowledge that would benefit those around them, rather than a product that they are recommending. Sharing "good news" about a product is the essence of Customer Evangelism (Collins & Murphy, 2009; Kawasaki, 1991; McConnel & Huba, 2007). This data confirms that quintessence is an indicator that evangelistic activity is taking place when an Q+ OVERS member is telling other about the product. Q+ OVERS individual see themselves as informants, not recommenders. When they spread word of mouth, they see it as educating someone rather than on-selling. This is why incentives do not often motivate evangelists effectively. The incentive for an evangelist is "saving" others from their current situation. The evangelist's perspective is not that they are on-selling, rather they are showing others a better way.

## CONCLUSION

Quintessence is an area ripe for exploration beyond the qualitative environment of Consumer Culture Theory, where it is an already recognized phenomenon. The research in the paper is an exploratory step toward bringing quintessence into a quantitative context where it, and its effects, can be measured and harnessed.

### Contributions of this study

As a first step toward measuring the effects of quintessence, this study used a single phrase to indicate a quintessence positive respondent or quintessence negative respondent. The statement "My life wouldn't be the same without OVERS" clearly was an indicator of increased positive brand related behaviour. However whether the data was correlative, or if there was causation, could not be proven in this study.

The authors posit that other elements in the survey such as the demographic, psychographic and behavioural data sketch out what the quintessence-positive behaviours are, and the cultural factors that would lead to quintessence for some users. However as the data was not designed to specifically explore quintessence; and as the behavioural data relating to ordering, referrals and online purchase behaviour was not available to the authors, this study remains exploratory, with more research in this area to come. The benefit of this study, however, is showing that quintessence is significant in its ability to draw out brand-positive behaviours form a sample population. The brand devotion of the Q+ population is consistent throughout; using quintessence to segment a consumer population, and bring one closer to identifying one's

own customer evangelists is of benefit to industries where producers seek to harness activities such as word of mouth marketing.

Another contribution of this study is to use cultural factors and a service-dominant approach in a quantitative environment. Exploring quintessence using the tools available in anthropology and sociology are effective in describing the phenomenon and its effects. Studies such as this one add value by moving toward a generalizable, predictive form of market research, which strongly appeals in academic and industry contexts.

Area for further research includes designing surveys which are more robust to enable verification of the quintessence phenomenon; linking quintessence to extreme word of mouth marketing behaviour and customer evangelism in a variety of contexts with different product types and industries; developing a Quintessence scale, rather than exploring quintessence as exclusively a binomial phenomenon; and designing studies which explore causation in Quintessence.

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# Unveiling Revelations: Consumer Reactions to the Brand Backstory

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## EXTENDED ABSTRACT
## BACKGROUND

Every brand has a producer's story. Consumers now have access to more than just the brand biography (Avery et al. 2010) or the history behind a brand; often they can access the "behind-the-scenes" or "making-of" story of the brands they consume. The producer story or "making of" contains extra-textual information that is willingly provided by the brand producer often regarding the production process of a brand. The brand "backstory" is hereby defined as extra-textual information offered by a brand's producer and characterized by: a) either historical or factual account of events that have shaped the story or narrative of a brand, b) authored by the company that markets/sells the brand, c) that deconstructs all or parts of the brand's internal story such as the brand's biography, image, production or philosophy. Many producers offer this extra-textual information with the aims of immersing consumers within the narrative of a brand or attempting to increase the brand's authenticity (Bhargava 2008). However, to date, little research has sought to understand the manner in which consumers experience this information and how the brand's backstory affects consumers' personal brand narrative.

Smith (2011) asserts that producer-created brand narratives are imperative to the longevity of a brand. Sociocultural branding literature often makes use of the term narratives to describe myths or stories relating to the brand. Generally research on brand narratives has referenced the term in three ways: to investigate the manner in which advertisements employ narratives to create and perpetuate brand meanings and myths and their effects on consumers (Stern 1994); to understand consumers' experiences and perspectives of brands through a narrative approach (Brown, Kozinets, and Sherry 2003; Escalas 1998; Fournier 1998; Padgett and Allen 1997; Stern, Thompson, and Arnould 1998); and to describe the brand itself as a encapsulated narrative (Diamond et al. 2009; Holt 2004). Diamond et al. (2009) is the only comprehensive study to investigate brand narrative, in the form of an "encapsulated myth", using a typology developed by Pitt et al. (2006) to explore aspects of a brand of multitude of perspectives –

physical, textual, meaning and experiential. They describe the multitude of meanings derived from textual (i.e. books, films) and textural (i.e. embedded in the merchandised material culture of the brand) sources. This multiplicity of meanings contributes to the complex gestalt of the brand. Although "essential to understanding aspects of its consumption" (Diamond et al. 2009, 123) the brand backstory and its contribution to consumers' brand experience has not yet been investigated deeply from the perspective of the consumer.

This research documents consumers' experience of a brand's backstory. In exploring consumers' experience of a museum exhibit about their favorite TV show, we hope to understand the manner in which a brand backstory affects consumers' construction of the brand's meaning and narrative.

Method

A phenomenological approach can provide deep insights from consumers' perspective.

A phenomenological approach is particularly appropriate in this context as we seek to understand the meaning of consumers' backstory experiences within the experiential context and as related to the environments in which they live or the totality of human-being-in-the-world (Thompson, Locander, and Pollio 1989). Media brands, such as television programs or films, are a propitious context for studying the backstory because of the ready availability of extra-textual backstory information, in the form of bonus features DVDs, special tours (Daily Mail 2011) or in the case of this study, museum exhibits. Furthermore, media brands are known to foster potentially strong attachments (Russell, Norman, and Heckler 2004) that would motivate its consumers to seek out backstory information.

The research centers on the New Zealand television program, *Outrageous Fortune*. Shortly after its sixth season series finale, The Auckland War Memorial Museum, New Zealand's largest museum, created a six-month long exhibit about the program. The longest-running New Zealand drama won many awards and gathered a growing domestic and international audience and its final episode garnered 18.2% viewership of the country's population. Sold to networks in over eight countries, the success of the

show is attributed not only to the show's exceptional writing and acting (winning over 60 awards in these areas) but also the cultural resonance of its content, enabling a connection between fiction and everyday New Zealand life. The exhibition included a behind-the-scenes look at the program, revealing the inspirations that sparked the writers such as real-life headlines, scripts and brainstorming notes for each episode. The centerpiece of the exhibit was the series' main set – the Wests' living room, which visitors could experience as a real living room: they were able to sit on the couch, interact with the props, as well as take photos or videos of themselves. A section of the exhibit is was dedicated to the show's art department with a display of the fictional brands created especially for *Outrageous Fortune*, as well as costumes used on the show. Another section of the exhibit was dedicated to the main characters on the show, each with a display dissecting his or her personality, complete with a psychiatric analysis. Visitors could take a quiz to find out which character they most resembled. The exhibition closer featured a never-before-seen 3D short scene.

Participants were recruited at the museum, both at the opening event for the exhibition and throughout the six-month long exhibit. In total, 24 fans, mostly females, were interviewed with interviews lasting between 45 and 90 minutes. Questions focused on participants' general experiences of the exhibit and then progressed by asking viewers to provide their motivations and expectations for visiting the exhibit, to describe their experiences of each element of the exhibit, as well as their thoughts and feelings about the brand after visiting the exhibit.

## FINDINGS

The analysis of the 319 pages of interview transcripts is ongoing. After each interview was interpreted idiographically, the interpretive context was broadened to identify common patterns across interviews. A refinement of ideas (Goulding 2002) was achieved by way of the constant comparative method whereby data was compared to other sections that contained the same incidents and themes, as well as contrasted with other sections of data with differing themes.

Preliminary findings reveal that by detailing the construction of the television program and its artifices, the backstory intersects the fictional world and the entertainment world. Experiencing the backstory results in different reactions depending on whether consumers enter the backstory from an immersive standpoint, inside the fictional world, or from an outside perspective if the brand is viewed as entertainment. As a result the backstory can enhance or instead disrupt consumers' personal experience of the brand.

The findings direct attention to the immersive nature of the narrative world within the program (Ryan 2003). We identify six primary types of consumer experiences of the backstory, depending on the initial locus of the consumer (inside or outside the fictional world) and the ways in which their experience of the backstory unfolds (see **table**). In viewing the backstory, consumers experience degrees of revelation (Bok 1989) as the extra-textual information draws attention to the constructed nature of the brand narrative. Some, who are fully immersed in the brand narrative, reject the backstory altogether: they do not want the artifices explicitly displayed in the backstory to taint or soil their personal brand narrative. Others, who initially view the narrative from a more distant standpoint, as entertainment, gain appreciation as the backstory provides information which enhances their preexisting consumer narratives surrounding the brand. The manner in which backstory experiences are negotiated, trigger a shift in the locus of consumers within the brand narrative. Our initial analyses suggest that these shifts can be represented as either elliptical, parabolic, or hyperbolic (see table).

This research provides initial empirical evidence of backstory experiences and their impact on consumers' overall brand narratives. As such, it contributes to the growing body of research on consumer responses to the unpacked "encapsulated myth" (Diamond et al. 2009) and suggests nuances in the negotiation of brand meaning.

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## CONSUMER TRAJECTORIES AND
## EXPERIENCES OF THE BRAND BACKSTORY

| | Trajectory | Reaction to Backstory | Consumer Example |
|---|---|---|---|
| **Consumer Locus Inside Fictional Narrative** | **Elliptical –** Traversed locus from fictional to entertainment and back to fictional | **Resistance** | "But then again it got better as it went along, but at the same time it was very exhibity in the way that it didn't feel like a TV programme anymore, it kinda seemed like, it kind of seemed like a bit of a research piece in a way. Like everything was all picked apart and kinda looked at in ways that I didn't really want to look at it in a way, like I mean. I don't know I think I just missed, just missed experiencing the family and stuff like that, because that was what made me such a huge fan to begin with. So I think it kind of missed that in a way, like I know that it wouldn't have, the people who created the exhibit, chose not to go in that direction. But I think that it probably disadvantaged them in a way by choosing not to do it that way" (Danielle, 24). |
| | **Parabolic** -Locus shift to liminal realm in between the entertainment and narrative realm | **Loss** | "It did make you very aware that there wasn't going to be anymore. But then again you were still so, I was still so excited about being in the midst of it still that it was almost like you didn't really want to think that there wasn't going to be anymore" (Tina, 29). |
| | **Hyperbolic-** Complete locus shift to entertainment realm | **Closure** | "I mean I think the whole process, the party, and the exhibit have helped to kind of celebrate it so that you can kind of let it go" (Gail, 50). |
| **Consumer Locus Outside Fictional Narrative** | **Elliptical –** Traversed locus from entertainment to fictional and back to entertainment | **Personal Affinity** | "Seeing Cheryl without her makeup, you know, she brushes up pretty well. But like with everybody without her makeup she's a woman that's the same age as me, so, she's a mother, I can relate to" (Selina, 45). |
| | **Parabolic –** Locus shift to liminal realm in between the entertainment and narrative realm | **Appreciation** | "I just think it helps me understand more and appreciate it more, and see what goes into it kind of thing. Also with the locations and all of that I know where they've been filming it. Oh and it is actually West Auckland and all that, and I don't know, I suppose it makes me feel more part of the show just to know more stuff about it, rather than just watching it. I actually know, you know what's going on and all that, which I find enjoyable. I'd rather know everything" (Rachel, 20). |
| | **Hyperbolic –** Complete locus shift to fictional realm | **Nostalgia** | "It's a bit the same really other than just the warm comforting familiarity that I thought from watching the program and the whole all of a sudden you know I was in there just immersing me you know yeah" (Allie, 27). |

# Places as Shared Possessions: Exploring Consumers' Attachment to Commercial Settings

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## ABSTRACT

This paper explores consumers' attachment to commercial places and its relation to attachment to possessions. In-depth consumer interviews and essays reveal three themes characterizing commercial place attachment: continuity, homeyness and ambassadorship. Attached consumers display various sharing behaviors in or towards the place while relegating commercial aspects to a peripheral role.

## EXTENDED ABSTRACT
## INTRODUCTION

There is a substantial literature on attachment to possessions in consumer research while a separate literature in environmental sciences has looked at individuals' attachment to places, especially in the context of residential settings such as neighborhoods and homes. Little attention however has been paid to how people may be attached to commercial places. This paper argues that cherished places, places that people are very attached to, comprise a specific type of possession. It further argues that the mechanisms underlying attachment to cherished commercial places are different from those involved in attachment to other possessions as well as being different from those involved in attachment to private and other non-commercial places.

We study attachment to commercial places through three qualitative data collections, the results of which show that commercial place attachment differs in several ways from attachment to other possessions. We interpret these differences through the theoretical lens of the concept of sharing (Belk 2010). First, we show that commercial place attachment derives from consumers' perceptions of the commercial place as providing a spatial, social, and symbolical setting, guided by norms regarding sharing behavior. The authenticity, familiarity and security experienced in a cherished commercial place foster perceptions of the place as a homey place (McCracken 1989). The rise of these perceptions is accompanied by the relegation to a more peripheral role of aspects related to the commercial exchanges that take place in the setting. This increased experience of homeyness and reduced prominence of commercial aspects characterize commercial places that people cherish.

Second, we show that place attachment triggers ambassadorship behaviors (here defined as the desire to spontaneously serve as a guide for the commercial setting). Ambassador behaviors are conceptualized as a specific act of "sharing in" (Belk 2010), consisting in giving selected relatives access to the cherished place (Chen 2009).

The paper contributes to the literature on possessions by offering new insights into the mechanisms that help create attachment to possessions. It contributes to the literature on place attachment by explaining how individuals can be attached to commercial, hence non-private, non-residential places. It contributes to the emergent literature on sharing by showing how ambassadorship is a specific act of "sharing in" (Belk 2010). It finally also contributes to the literature on place-bonding by showing that market exchanges are not antithetical to social exchanges and that sharing does not necessarily reside outside the market.

## THEORETICAL BACKGROUND

The concept of place attachment per se has been under-explored in consumer research, except in the work of Rosenbaum et al (2007), who however focused mostly on the social aspects of place attachment such as how people are attached to a particular social setting and group. Prior studies on attachment in the context of consumption derive from research on possessions. In this stream of research, cherished objects play a key role in self expression (Wallendorf and Arnould 1988) and provide individuals with security and well being (Belk 1987), but also can lead to possessiveness (Belk 1992): consumers attached to a material object are reluctant to share it with others. Among all the categories of possessions, places are listed as one of the most important possessions in identity construction capable of sustaining attachment (Belk, 1992). However, literature that followed has mostly focused on material objects. This is problematic because commercial places differ on many aspects from traditional possessions: they are immovable, they are shared, they cannot be totally decommodified, nor mastered or singularized (Kleine and Baker 2004). Therefore it can be suspected that the experience and mechanisms of place attachment

differ from those concerning attachment to material possessions.

## DATA COLLECTION

We use a qualitative research approach because of to the complex combinations of intertwined meanings involved in the place attachment experience. Data collection involved three stages. It first consisted of in-depth interviews and retrospective essays involving 31 informants on any place they cherished. As expected, a lot of residential settings emerged, as well as commercial places. In the second stage, semi-structured interviews were conducted with 19 informants who were asked to describe a cherished non-private place of their choice. The third stage focused on the category of commercial places that emerged as most recurrent in the second stage: bars and restaurants. It consisted of in-depth interviews with 13 informants regarding their experience with a specific wine bar in Paris. Content analysis was used to explore informants' emotional attachments and their associated experiences and identify the presence, meanings, and relationships of themes within the respondents' discourses (Berelson 1952).

## FINDINGS

Three main elements emerge from the data analysis, and characterize the experience of place attachment in the context of consumption. First, spatial and temporal continuity is a condition for the emergence of place attachment. Two intertwined elements contribute to this continuity:

The existence of personal memories that bridge past and present help consumers repeatedly relive or reconstruct their past experience in the place;

The existence of tangible and stable landmarks that support the development of place attachment. Disruptions and changes that alter the place's spirit tend to result in cessation of place attachment. When the place is no longer available, place attachment transforms into nostalgia.

Second, places to which consumers are attached tend to be perceived as homey places and this homeyness experience involves elements of authenticity, familiarity and security. It appears the basis of commercial place attachment lies in the different ways in which the commercial setting is experienced. First as a social place, through the people who patronize the place or who work in it; second, as a physical place, through its architecture, design and decorations; third, as an activity-based place through

its commercial proposal and the services that go with it. These aspects provide consumers with a set of market-related experiences that are based in different but intertwined ways of experiencing the place's authenticity, familiarity, and security. Authenticity exists in the perception of the place as detached from market influences. Familiarity involves knowing the place "from attic to cellar". Security concerns perceiving the place as a safe haven. These combined perceptions convey a general feeling of homeyness that is highly valued by the consumers. As the homeyness cues of a place gain prominence, consumers metaphorically move the place from the public to the private sphere. The commercial setting progressively becomes like an extension of home, based on tangible and symbolic social and physical landmarks. Although the place hosts commercial activities and offers commercial services, place attachment paradoxically arises mostly from the consumer's non-market experiences with the place. As the consumer becomes more attached, commercial aspects become secondary while the non-market aspects gain importance. The latter becomes manifest in an increased prominence of sharing behavior concentrated around the cherished place, evident in, for example, a high level of sharing of information and interests with staff or fellow customers.

Third, place attachment triggers ambassadorship behaviors, which consist of consumers seeking to act as a guide and an advocate for the place. Ambassadorship is interpreted as a form of sharing behavior and results in a perpetuation or reinforcement of the bond between the consumer and the place. There are three stages to ambassadorship behavior:

Selection: attached consumers seek out and shortlist the people they would like to bring to the cherished commercial place. These are often the people that matter most to them.

Matchmaking: among the selected people, only those perceived as likely to fit with the place are finally brought to the place

Transmission: when these 'initiation' activities are successful and the newly brought person likes the place the consumer feels proud of the place and derives pleasure from sharing it while being in control on who can access the place and how it should be experienced.

Hence, ambassadorship consists of promoting the cherished place to a selected set of contacts who are perceived as deserving, and providing them access

to the place.

## DISCUSSION AND CONCLUSION

This paper shows that commercial place attachment derives from the consumer's perception of the commercial place as a spatial, symbolical and social setting guided by norms of sharing. This incorporates but goes beyond the mere social aspects studied by Rosenbaum et al (2007). The paper also demonstrates that the experience of place attachment is strongly associated with homeyness, home being a mirror of the self (Cooper-Marcus 1995), a place one knows inside out (Korosec-Serfaty 1984) and the ultimate shelter (Tuan 1977). In the context of commercial settings, the emergence of homeyness perceptions is accompanied by the relegation of the commercial nature of the setting to a peripheral or explicitly ignored aspect. Finally, place attachment triggers ambassadorship behaviors, which can be considered as a form of "sharing in" (Belk 2010), and consist in advocating the cherished place to selected contacts and giving them access (Chen 2009) to the place.

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# We, Us and Them: Multiple Identity Projects in Brand Community Conflicts

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Communities of opposition have been conceptualized as dyadic identity projects. However, when media events create direct conflict between brand communities, consumers engage in a complex negotiation of multiple identities. The four responses to conflict observed in our study demonstrated brand community identity defense, subcultural identity integration and out-group identity reproduction.

When considering an individual's allegiance to a brand community there is a tendency to view it as a singular identity. In extension to this focus on the development of a single identity, the process of identity negotiation is considered to be constructed in comparison or competition to an opposition brand (Luedicke, Thompson, and Giesler 2010; Múniz and Hamer 2001; Múniz and O'Guinn 2001). This identity project means that individuals define who they are by differentiating themselves from who they are not. However, this simple dyadic between a single chosen identity and a rejected identity is an oversimplification of the identity formation process. This paper presents a case where a series of related media events brought two brand communities into conflict where multiple identities were enacted. The reactions of individuals to this conflict were influenced by which of their multiple brand identities they most strongly associated with.

It is proposed in this paper that the brand community of opposition dyadic is an oversimplification of brands in competition within the same product category. A clear example of this exists within the science fiction / fantasy (SFF) fandom communities, where individuals may identify with one or more SFF brands and also with the SFF subculture as a whole (Jenkins 1992). The freedom to simultaneously identify with multiple brands and with the wider subculture means that identity projects in this situation are much more complex than the dyadic of opposition between brands. The event that forms the basis for this paper was initiated by comments attributed to the brand heroes of two brand communities within the SFF subculture and reported in the media. These comments formed the basis for subsequent conflict between the two communities.

## THE LITERATURE

The difference between brand communities and subcultures of consumption is somewhat amorphous as the terms have often been used interchangeably. The demarcation between these two concepts in the literature is that subcultures of consumption exist in tota as a social structure. Whereas a brand community is negotiated by each individual as they encounter each new social situation (Múniz and O'Guinn 2001). However, a more practical difference has developed where brand communities refer to the social networks that develop around specific brands (McAlexander, Schouten, and Koenig 2002; Múniz and O'Guinn 2001), and subcultures of consumption tends to be applied to product classes or consumption activities (Cova and Cova 2002). Although this segregation does not exclude brand subcultures (Kozinets 2001), the development of the consumer tribe literature has led to the term brand community generally being applied to brand focused social networks.

## THE STUDY EVENT

The conflict event was initiated by the publication in *Time* of an interview with the author of the Harry Potter (HP) series of books, J.K. Rowling (JKR), where two issues of contention arose (Grossman 2005). The first issue was JKR's claim that she didn't realize she was writing fantasy when she wrote the first HP book; the second issue was a quote from the reporter that described the fantasy genre as deeply conservative, and that HP's success resided in its lack of SFF clichés. These two issues motivated the author, of the Discworld (DW) SFF book series, Terry Pratchett (TP), to write a letter to the editor criticizing the portrayal of fantasy literature and implying that comments made by JKR were disingenuous. The online activity following the publication of TP's letter included thousands of posts made on DW and HP online fan sites.

## THE BRANDS

DW and HP are two of the most successful fantasy brands in the world. The first DW book, *The Colour of Magic* was published in 1983. Currently 38 DW books have been published, with a new one published every year. The sale of DW books is estimated to be

around 60 million copies and is primarily aimed at an adult readership.

In comparison, the HP series is a self-contained story arc of 7 books about a boy wizard and his time at Hogwarts School for Wizards and Witches, and the battle against the evil Voldemort aimed at young readers. JKR published the first book in the HP series in 1997 with *Harry Potter and the Philosopher's Stone* (*Harry Potter and the Sorcerer's Stone* in the US). The series has now been completed with sales above 300 million copies and box office success with movie adaptations.

Both fantasy novel series have strong fan communities, although the international success of the HP series, for adults and children, makes it the dominant brand in the market (Múniz and O'Guinn 2001).

## THE METHOD

This conflict arose while the first author was engaged in a larger ethnographic study of the DW community. The nature of the event and its aftermath required extending engagement to the HP community. To do this the first author conducted participant and non-participant observation of online fan forums for both brands. Multiple sites were accessed to triangulate findings and provide differing perspectives on the interpretations of the event and responses of the various actors (Eisenhardt 1989). The second author provided an outsiders' perspective to the data analysis and interpretation as they had limited experience with the brands, and no interaction with the communities involved. A total of three forums were selected based on the amount of activity present and whether the forum was officially supported. Relevant threads were downloaded and analyzed using Nvivo. Analysis of the forum threads followed the method outlined by Glaser and Strauss (1967).

## FINDINGS

In the case of brand communities in conflict the identity project of members goes beyond the protagonist seeking moral distinctiveness (Luedicke et al. 2010). HP community members engaged in active antagonist activities by signing up as members to DW community forums in order to attack the DW identity. The antagonist responses whose identity as HP fans were threatened included the adversaries, who remained within DW community social norms, and the screamers, whose identity project extended to challenge DW social norms. The DW community

became defenders of their identity through the comedic response of sharing inside jokes. A large portion of the DW and HP communities saw themselves as SFF members whose identity was threatened by the mainstream media representation of their chosen genre. These members responded with debate of the genre, the media, and the brands as a legitimization of their subcultural identity.

The moralistic distinctions depended on whether the individual identified most with the HP, DW or the SFF subculture. This identification influenced their interpretation of the media event that initiated the conflict, HP fans tended to view Pratchett's comments as "sour grapes" and JKR as undeserving of criticism. DW fans saw Rowling's comment about not knowing she was writing fantasy as disingenuous and that TP had a legitimate right to point this out. At a subcultural level, the distinctions made were that the media viewed SFF as old fashioned and moribund while the SFF subculture saw the media as being biased and uninformed with resentment of their portrayal of the genre to a wider audience. Through the reactions of both brand communities to these issues each community was able to draw direct examples of behaviors on which to base their moral distinctions. These are likely to be more long lasting and accurate than internally generated identity differentiation projects and are more difficult to manage.

## DISCUSSION

The findings from this study illustrate the importance of identification in brand community and subcultural conflict. Individuals are not engaged in a simple dyadic identity project but rather are negotiating multiple identities between a preferred brand, a familiar brand of opposition, and the product category subculture. This negotiation involves the identity defense between oppositional brand communities, the identity integration between the brand communities, and the subculture and the identity reproduction with the mainstream media.

Brand community identity took the form of identity defense, with antagonism in the form of adversary and screamer responses and protagonism activities in the form of comedic responses. These identity projects reflect a simple dyadic relationship between opposition brands (Luedicke et al. 2010; Múniz and Hamer 2001).

The relationship between the brand community and the subculture was one of identity

integration. Brand communities position their identity through a process of negotiating subcultural norms and then differentiating the norms of that community from the wider subculture. For marketers this identity integration project is important as it forms the basis of the position that individuals form of competing brands in the category, and there exists a potential for values to be aligned or differentiated to attract subcultural members to new offerings.

The final identity project is identity reproduction which involves the communication of the product category identity to a wider audience of the out-group. When the media undermines the legitimacy of the genre, oppositional brand communities can unite to defend their identity against this out-group that is perceived to be marginalizing the subculture. Marketers form a key source of legitimizing communication about brands and product categories to out-group audiences. This research has highlighted the added complexity that exists in identity projects when the dyadic relationship between brand communities is extended to include their place within the wider subculture and market.

When considering an individual's allegiance to a brand community there is a tendency to view it as a singular identity. While this identity may reflect a negotiated process between brand, product, marketer and other community members (McAlexander et al. 2002), it is focused on a single brand. Similarly, subcultures of consumption allow that multiple brands may be sampled to achieve a single cultural identity (Cova and Cova 2002). In extension to this focus on the development of a single identity, the process of identity negotiation is considered to be constructed in comparison or competition to an opposition brand (Luedicke et al. 2010; Múniz and Hamer 2001; Múniz and O'Guinn 2001). This identity project means that individuals define who they are by differentiating themselves from who they are not. However, this simple dyadic between a single chosen identity and a rejected identity is an oversimplification of the identity formation process. This paper presents a case where a series of related media events brought two brand communities into conflict where multiple identities were enacted. The reactions of individuals to this conflict were influenced by which of their multiple identities they most strongly associated with at a given point in the conflict.

It is proposed in this paper that the brand community of opposition dyadic is an oversimplification of brands in competition within the same product category. Examples of communities of opposition are Apple versus PC users where both brands exist within the computer subculture (Múniz and O'Guinn 2001); Coke versus Pepsi as brands of cola (Múniz and Hamer 2001), and Hummer versus Prius are both motor vehicles (Luedicke et al. 2010). This means that while individuals will negotiate their identity within a chosen brand community they are simultaneously negotiating their identity within a larger subculture of consumption of the product category. A clear example of this exists within the science fiction / fantasy (SFF) fandom communities, where individuals may identify with one or more SFF brands and also with the SFF subculture as a whole (Jenkins 1992). The freedom to simultaneously identify with multiple brands and with the wider subculture means that identity projects in this situation are much more complex than the dyadic of opposition between brands, as individuals negotiate their identity and opposition to multiple possible brands, and the wider subculture.

Also of concern within this case is that the conflict that arose was not only between two competing brands, but also between the subculture of consumption and mainstream media. The SFF subculture and respective brand communities have been found to have a tension between their in-group identity and the identity expressed to the mainstream out-group (Kozinets 2001). For instance, the wearing of Star Trek uniforms as a proper expression of membership to the in-group is interpreted as "get a life" by the out-group. The event that forms the basis for this paper was initiated by comments attributed to the brand heroes of two brand communities within the SFF subculture and reported in the media. These comments formed the basis for subsequent conflict between the two communities. Response to the conflict depended on which identity individuals most related to.

## THE LITERATURE

The difference between brand communities and subcultures of consumption is somewhat amorphous as the terms have often been used interchangeably. The demarcation between these two concepts in the literature is that subcultures of consumption exist in tota as a social structure. Whereas a brand community is negotiated by each individual as they encounter each new social situation (Múniz and O'Guinn 2001). However, a more practical difference has developed where brand communities refer to the social networks

that develop around specific brands (McAlexander et al. 2002; Múniz and O'Guinn 2001), and subcultures of consumption tends to be applied to product classes or consumption activities (Cova and Cova 2002). Although this segregation does not exclude brand subcultures (Kozinets 2001), the development of the consumer tribe literature has led to the term brand community generally being applied to brand focused social networks. This is the perspective adopted in this paper where two brand communities, namely Harry Potter (HP) and Discworld (DW), exist within a wider product class of SFF subculture of consumption.

In addressing brand communities in conflict, the literature has limited itself to considering communities of opposition where the social identity of the community is partly formed by its opposition to a competing brand (Múniz and Hamer 2001; Múniz and O'Guinn 2001). This is a form of identity project where brand communities define who they are by what they are not (Múniz and O'Guinn 2001). However, this phenomenon can go further where community members form moralistic distinctions about members of competing brand communities as deviants from the social norms and values that they themselves consider sacred (Luedicke et al. 2010). These moral distinctions build to form a community sense of self and their consciousness of kind (Múniz and O'Guinn 2001). However, the literature has limited these moral projects to consider only opposition communities as dyadic: where one community, usually the smaller brand, compares itself to another dominant brand. This perspective is limiting in its scope of understanding the complexity of identity and moral projects that communities engage in to form their community identity. This paper presents a more complex view of communities in opposition beyond the dyadic of us versus them (Múniz and Hamer 2001) to consider oppositional communities that exist within the same product class subculture of consumption. In this case it becomes "we", the SFF subculture, against the mainstream media. This further complicates the identity project as members negotiate their identity between members of a specific brand community which both separates and unites them and their identification to a particular subculture.

The other contribution that this paper makes to our understanding of consumer identity projects is in considering communities in conflict, not just opposition. Research on brand communities in conflict is scarce, but especially so for those communities with an online presence. Exchanges within an online brand community typically include supportive interactions but conflict can also be a common feature. Both types of exchange are necessary aspects of an online community and form the basis of an intricate network of friendships and competition that defines the group beyond the technical and social limitations of being online (Fletcher, Greenhill, and Campbell 2006). Rather than being merely dysfunctional, conflict within and between brand communities can yield an alternative set of unifying principles and rationales for understanding brand identity, and also provide a more complete conceptual model for interpreting the simultaneous pressures for protagonism and antagonism that are sometimes observable in online brand communities (Campbell, Fletcher, and Greenhill 2009; Luedicke et al. 2010). The findings from the conflict event analyzed in this paper suggest that a typology of four reactions to conflict depend on which social group an individual identifies most strongly with at the time, and this association can change over the course of the conflict.

## THE STUDY EVENT

The conflict event was initiated by the publication in *Time* of an interview with the author of the Harry Potter (HP) series of books, J.K. Rowling (JKR), where two issues of contention arose (Grossman 2005). The first issue was JKR's claim that she didn't realize she was writing fantasy when she wrote the first HP book; the second issue was a quote from the reporter that described the fantasy genre as:

*It's precisely Rowling's lack of sentimentality, her earthy, salty realness, her refusal to buy into the basic clichés of fantasy, that make her such a great fantasy writer. The genre tends to be deeply conservative- -politically, culturally, psychologically. It looks backward to an idealized, romanticized, pseudofeudal world, where knights and ladies morris-dance to Greensleeves.*

These two issues motivated the author, of the Discworld (DW) SFF book series, Terry Pratchett (TP), to write a letter to the editor criticizing the portrayal of fantasy literature and implying that comments made by JKR were disingenuous. The key issues in this conflict were the apparent divergence of views between the brand heroes of two communities of opposition. This event also raised issues concerning the appropriate representation of fantasy and the fantasy subculture in mainstream media. The online activity following the publication of TP's letter included thousands of posts made on

DW and HP online sites. The fans made numerous interpretations of the event, the role of the media, the motivation of the brand heroes, and how this affected the brand, the community, and the subculture. During the three to four weeks of brand debate, TP engaged with the online communities in an attempt to control the situation. In contrast, JKR has not commented to any public information source.

## THE BRANDS

HP is a global phenomenon but its place within the fantasy genre may be less familiar, and the DW brand is less well known. DW and HP are two of the most successful fantasy brands in the world. The first DW book, *The Colour of Magic* was published in 1983. Currently 38 DW books have been published, with a new one published every year. The sale of DW books is estimated to be around 60 million copies and is primarily aimed at an adult readership. However, four DW books for children are included in the series. The story context is of a flat world that is carried on the back of four elephants, which stand on the back of a tortoise that is slowly swimming through space. Each book is a standalone story, although character-based sub-sections exist, such as the Witches books, the Watch books and the Death books.

In comparison, the HP series is a self-contained story arc of 7 books about a boy wizard and his time at Hogwarts School for Wizards and Witches, and the battle against the evil Voldemort aimed at young readers. JKR published the first book in the HP series in 1997 with *Harry Potter and the Philosopher's Stone* (this was published under the title of *Harry Potter and the Sorcerer's Stone* in the US). The series has now been completed with sales above 300 million copies and box office success with movie adaptations.

Both fantasy novel series have strong fan communities, although the international success of the HP series makes it the dominant brand in the market (Múniz and O'Guinn 2001). The target readership of the brands influences the make-up of each community. DW is primarily adults, while HP targets a younger market, although HP reaches a wider and older audience successfully with the publication of adult cover art editions. This wide ranging success increases the involvement of people of all ages within the community (Brown 2007; Patterson and Brown 2009). The communities of opposition in previous studies assume exclusive ownership and membership to one brand. Most in the DW community have read the HP books, and some in the HP community have read the DW series. So while they poach each other's brand as members of the SFF subculture (Jenkins 1992), individuals make their preferences known through their identification with a particular community. The following section details how the data of this event were collected and analyzed.

## THE METHOD

This conflict arose while the first author was engaged in a larger ethnographic study of the DW community. The nature of the event and its aftermath required extending engagement to the HP community. To do this the first author conducted participant and non-participant observation of online fan forums for both brands. Both JKR and TP were contacted via email about the event, to which TP responded. A HP versus DW session at the 2007 Australian DW convention was conducted, where all attendees were readers of both brands and one attendee stated that she was a bigger fan of HP. These sites were accessed to triangulate findings and provide multiple perspectives on the interpretations of the event and responses of the various actors (Eisenhardt 1989). The second author provided an outsiders' perspective to the data analysis and interpretation as they had limited experience with the brands and no interaction with the communities involved.

Besides the online forum which was the main source of data for the ethnographic study, other forums were accessed through each brand hero's official website, and either entering the official discussion forum available or the unofficial discussion forums listed. A total of three forums were selected based on the amount of activity present and whether the forum was officially supported. The forums accessed were composed of two official fan forums, one created by the US publisher of DW and the other established by Warner Brothers the movie distributor for HP. The third forum was a Usenet group, which had been analyzed in previous studies (Múniz and Hamer 2001). Usenet groups are slightly different to discussion boards as topics (also known as threads) can link across groups. So in the current case the DW and HP posts were combined and TP posted into the united thread. Only one forum did not have a moderator. This forum had a system of community enforced codes of conduct which resulted in user behavior not varying significantly from that found in moderated forums.

Relevant threads were downloaded and

analyzed using Nvivo. During the four week period of this study the forums yielded over 1,500 pages of discussion, with the highest concentration of posts occurring in the first week. Analysis of the forum threads followed the method outlined by Glaser and Strauss (1967). Firstly, each post was coded based on the issues raised, and then categories were built. Finally, themes were developed and a theoretical understanding of the case generated. Discussions with fans and TP were used to verify our interpretations of the event and to build richer insight of the issues involved. The following section will present the impact that the media reports had on community responses.

## FINDINGS

In the case of brand communities in conflict the identity project of members goes beyond the protagonist seeking moral distinctiveness (Luedicke et al. 2010). HP community members engaged in active antagonist activities by signing up as members to DW community forums in order to attack the DW identity. The antagonist responses whose identity as HP fans were threatened include the adversaries, who remained within DW community social norms, and the screamers, whose identity project extended to challenge DW social norms. The DW community became defenders of their identity through the comedic response of sharing inside jokes. A large portion of the DW and HP communities saw themselves as SFF members whose identity was threatened by the mainstream media representation of their chosen genre. These members responded with debate of the genre, the media, and the brands as a legitimization of their subcultural identity.

The moralistic distinctions depended on whether the individual identified most with the HP, DW or the SFF subculture. This identification influenced their interpretation of the media event that initiated the conflict, HP fans tended to view Pratchett's comments as "sour grapes" and JKR as undeserving of criticism. DW fans saw Rowling's comment about not knowing she was writing fantasy as disingenuous and that TP had a legitimate right to point this out. At a subcultural level, the distinctions made were that the media viewed SFF as old fashioned and moribund while the SFF subculture saw the media as being biased and uninformed with resentment of their portrayal of the genre to a wider audience. Through the reactions of both brand communities to these issues each community was able to draw

direct examples of behaviors on which to base their moral distinctions. These are likely to be more long lasting and accurate than internally generated identity differentiation projects and are more difficult to manage. The following section presents the different responses to threatened community and subcultural identities.

### Us versus Them: The Harry Potter Identity under Threat

The HP identity came under threat from the comments made by TP in his letter to the editor calling into question Rowling's brand hero's credibility as a fantasy author (Eagar 2009). As the brand hero is held to be the ideal because of their involvement in the brand's creation or management, any attack on them is seen as an attack on the brand. Pratchett's comments regarding Rowling was seen by the community as contravening the HP social norm that JK Rowling was inviolable (Brown 2007). HP members who strongly held this value actively sought to engage the DW community using two antagonistic characters: adversaries and screamers.

*Adversaries:* represent responses from individuals where strong and personal emotions about the TP letter were expressed. However these individuals were later prepared to engage in debate about points of fact rather than purely emotion.

### Posted by: fury (terrypratchettbooks.com; post number: 1)

Oh My God. How could Terry Pratchett criticise the Amazing JK Rowling? Ms Rowling is so much more original and talented! He obviously stole the idea for a magic school from her and Esk in ER was stolen from the HP books!.

Harry Potter is my whole life!!!!!!!!!!!!!!

Fury's post was their first into the DW community and expresses her disbelief and (overwrought) emotions about the event. This post incited a discussion as to how TP could not have copied from JKR as his books came first. Fury defended her initial statement by claiming that time is irrelevant when it comes to copying HP. Yet, despite the illogical argument and the very negative interpretation Fury made of the initial letter, it also indicated familiarity with TP's work. The mention of the character Esk from the DW book Equal Rites (ER) showed that despite having read both brands, this individual's loyalty and identity was indelibly tied to HP. The amount of emotion in

this post, and the misinformation contained within it drew a response from the DW community.

**Posted by: The Sniper (terrypratchettbooks.com; post number: >1000)**

I thought Fist of Fury was taking the piss with the comment about Pratchett copying JK.

But then I saw that you weren't. How could you possibly think that? The majority of his books were written before she came on the scene!

I don't think for one second that either writer would go out to copy one another's ideas. There simply has to be an overlap, since a lot ideas come from Mythology. Each just has their own slant on things.

The response of the community to the attacks of the adversaries was to attempt to engage in logical debate. In this case The Sniper points out the timeline of publication and also that neither author plagiarized, but that they simply function within the wider tropes of the SFF genre. This tendency to approach the extreme emotions expressed by the adversaries with logic was consistent across the boards. As a reaction to these "foreign invaders" it is quite interesting that the first recourse of the community was to engage the enemy in debate rather than combating them with insults or derision. In the case of Fury the logical debate approach resulted in their engagement with the community over the facts rather than continuing the negative emotions first expressed. This is in contrast with the screamers who are discussed next.

*The Screamers:* were those individuals who expressed personal offense to the letter, had a negative interpretation of TP's motives, and were motivated to contact the opposition by posting on their forum. However, unlike the adversaries, which started out loud but who also engaged in debate, the screamers did not conform to community norms and actively tried to rile the community. The example below demonstrates the nature of the personal and brand insults that were exchanged between a HP invader and a long-term DW community member.

**Posted by william (terrypratchettbook.com; post number: 2)**

Actually, while I am a HP fan, I do happen to have read other literature. I am not some little kid. I merely was trying to answer to some of the things that Mr Pratchett had said in his statement. Also the "is a prat" thing, if you can't tell that was a pun

without italics then your brain needs changing. Also when you speak of HP fans coming in here spreading poison...do you mean like the useless comments that your beloved author has done with respect to HP today. The HP series is not merely for children as it, like the DW series I'm sure, transcends such petty barriers, though it does have an audience of primarily children. Also I have read one DW novel and started another and thought that it was like the idea I got of the previous one - uninteresting to me. I admit that YOU may find it interesting but I don't. …May I also point out that if Mr Pratchett had wanted to voice his opinion he could have done it on another day - not JK Rowling's birthday - or he could have kept it to himself so as to stop our opinions coming out in such a way in which we seem to now be arguing.

**Posted by Mac (terrypratchettbooks.com, post number: >1000)**

It was a piss poor attempt at a pun, as shown by my two vastly superior examples.
By the way, do the Harry Potter books or any other books you've read have paragraphs?

**Posted by william (terrypratchettbooks.com, post number: 3)**

Am I not allowed to write in continuous prose? And a pun is a pun no matter what you say. I'm just sorry that mine was too intellectual for you to think he should have done it more obviously like '*Prat* chett'

In this case each poster questioned the others wit and intelligence as the discussion became increasingly personal. William's posts continued on after this encounter and his refusal to use paragraphs remained an issue for the community. This forum had established a norm of using correct English, grammar and formatting conventions as many of the posters were from non-English speaking backgrounds. This poster's refusal to defer to the group norm further antagonized the community. For the screamers their response reflected a high level of identification with the HP brand and an antagonistic reaction not just to the community values but also their social norms.

The adversaries and the screamers form the extreme end of negative reactions to the event. The response of the DW community to the threat to their identity posed by this invasion of HP antagonists was to create inside jokes that reinforced their value as the select few that "get the joke".

Them versus Us: The Threatened Discworld Identity as Comedians

The DW community found its identity under threat from the active antagonistic attacks of HP fans. This invasion questioned the legitimacy of the brand, with claims of plagiarism, and the brand hero, with claims of "sour grapes". In order to combat these undermining identity projects of the competing community, each DW community developed an "in-joke". This occurred when the effect of the Potter fans had lessened due to their lack of posting and in both cases as a result of a comment made by particular antagonists. For example, in the terrypratchettbooks forum a comment about how there were no stories of an adult Harry led to an in-joke of possible adult versions of the Potter brand.

**Posted by: White (terrypratchettboooks.com; post number: >30)**

"I've tried to think of some Harry Potter adult books names - "Harry Potter and the Mortgage of Doom", "Harry Potter and the Dead End Job", "Harry Potter and the P45"???"

**Posted by: Ellie (post number: >100)**
Or:

"Harry Potter and the Jesus Juice trial to Neverland"
"Harry Potter and the Receding Hairline"
"Harry Potter and the Rapid Spread of AIDS"

The adult titles for HP books incited a long stream of responses from various community members. The in-joke exchanges within the DW community served dual purposes. They provided cohesiveness where they were able to say this is who we are by laughing at what they are not. For example, the terrypratchettbooks forum viewed themselves as not serious about HP and as such able to deride the books. This in-joke provoked a greater sense of community unity that was not present in the rest of the discussion during this event.

The second purpose of the comedians was as a defense mechanism against the attack from outsiders. The DW community used humor as an indirect method of alleviating the confrontation of the HP fans. These antagonism and protagonism responses to conflict formed an active and direct interpretation of the opposing community.

**Posted by: fairy (terrypratchettbooks.com; post number: >1000)**

the thing i find hilarious is that as soon as pratchett says something against rowling we get epople flocking here to tell us how horrible he is; yet if rowling ever said anything against pratchett, how many of his fans would go onto potter forums and say things against rowling.

I guess that gives a clear difference between the childrens and adults author.

The above post indicated the attitude of the DW community towards the HP community, with two clear points being made. The first is that DW fans were not like HP fans and would not enter the opposition's domain to express displeasure. This is a statement of identity in confrontation, where the DW identity had been defined by how they reacted differently to the opposition. The second point is the self-perception within the DW community of having an identity of adults, or mature readers versus the less mature members from the HP community. These attitudes have been derived from the experience of interacting with the opposing community and as such the perception is likely to be more consistent and, it could be argued, more accurate over time.

**We versus the Mainstream Media: The Debaters**

The debaters comprised the majority of posters from both communities as they identified strongly with the SFF subculture alongside their brand community identity. These people engaged in a discussion as to the meaning and motivations of the players within the event, namely TP, JKR and the media. These individuals tended to express their opinions within the confines of their community, rather than deliberately seeking the opposition. The lack of exclusive brand readership means that there were multiple positions taken within a community. The role of the media was also a heavily contested issue. Debaters attempted to interpret TP's letter, the original interview with Rowling and also the media's role in hyping a brand and denigrating the SFF genre. Posted by: d3 (alt.fan.pratchett/harry potter)

This particular interview is more recent, of course, but I remember similar comments in the mainstream press back when Harry Potter was first hitting the big time: "Good lord, J.K. Rowling has brought fantasy into the modern world! Amazing!" "Children learning how to become wizards and witches? How frightfully original!"

In other words, in my mind, the books got damned as a result of their association with the ignorant and the snobbish who were praising them for (as it turned out) all the wrong reasons.

There are, obviously, many reasons to praise and love the Harry Potter books. But to claim that they've broken some sort of virgin territory in the fantasy genre, let alone rescued the genre from being nothing but medieval romances with magic, is simply not true.

Pratchett's primary complaint is not against Rowling or Harry Potter, it's against a mainstream media who (as he says) is incapable of lauding Harry Potter without denigrating the rest of the genre.

But, that being said, I frankly can't think of *any* positive spin which can be given to Rowling's claim that she didn't realize she'd written a fantasy story until after writing and publishing a 300 page novel about witches and wizards fighting a Dark Lord (after plotting out a seven book saga). It's impossible for me to believe that Rowling is actually that *stupid*, so the most charitable conclusion I can reach is that she was actively misquoted. (If she wasn't misquoted, then the statement has a rather clear agenda behind it which doesn't reflect well on Ms. Rowling at all.)

The above post encapsulated much of the debate about the media's involvement in the event. d3 saw the role of the media as a negative influence with its misrepresentation of the genre and the possibility of misquoting JKR. Much of the debate focused on the differences between the two series and the aspects that made them superior in the eyes of each community. This debate indicated the familiarity of both groups with each other's brand and the shared subcultural heritage.

## DISCUSSION

The findings from this study illustrate the importance of identification in brand community and subcultural conflicts. Individuals are not engaged in a simple dyadic identity project but rather are negotiating multiple identities between a preferred brand, a familiar brand of opposition, and the product category subculture. This negotiation involves the identity defense between oppositional brand communities, the identity integration between the brand communities, and the subculture and the identity reproduction with the mainstream media.

Figure 1 illustrates this process of multiple identity negotiation and the following will discuss the implications of this model. When there are multiple affiliations available, this model illustrates three types of identity work that is conducted in brand community conflict. The first is identity defense between the brand communities in conflict. The identity defense projects are the protagonist and antagonist activities that communities engage in to establish their ethos and morality (Luedicke et al. 2010).

Within this study identity antagonism took the form of adversary and screamer responses where the opposition was sought for a direct confrontation to establish what the HP brand was not (Múniz and O'Guinn 2001). The protagonism activities to defend the community identity took the form of comedic responses to establish what the community was. These identity projects have been discussed in previous research and assumed to reflect a simple dyadic relationship between opposition brands (Luedicke et al. 2010; Múniz and Hamer 2001). The possibility for marketers to initiate a conflict between competing brand communities in order to highlight the differences and similarities between communities is a dangerous strategy as negative impressions of a community within the subculture can be formed. Such conflict is also inherently difficult to manage, shown through Pratchett's efforts to contain the situation without success, and marketer interference may be viewed as an out-group manipulation. The following identity projects extend the dualism of identity by considering the identity work of subcultures and the mainstream.
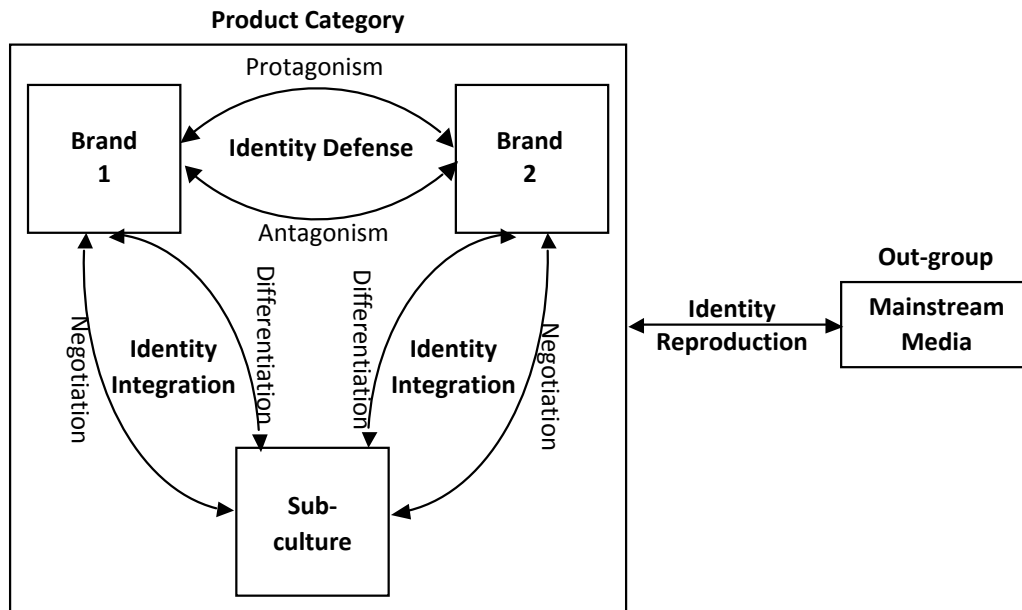
*Figure 1 Multiple Identity Projects in Conflict*

The relationship between the brand community and the subculture was one of identity integration. Brand communities position their identity through a process of negotiating subcultural norms and differentiating the norms of that community from the wider subculture. This undermines the assumption found in much of the communities of opposition research that members only purchase or experience their own brand and, through inference, denigrate the opposition (Múniz and Hamer 2001; Múniz and O'Guinn 2001). The individual will integrate the subcultural identity into their identity matrix to a greater or lesser extent. The more integrated the subcultural identity is, the more aware they are of the position of their preferred brand within the product category milieu, and the more likely they are to debate the position of competing brands. For marketers this identity integration project is important as it forms the basis of the position that individuals form of competing brands in the category, and there exists a potential for values to be aligned or differentiated to attract subcultural members to new offerings.

The final identity project is identity reproduction which involves the communication of the identity of product category to the wider audience of the out-group. When the media undermines the legitimacy of the genre, oppositional brand communities can unite to defend their identity against this out-group that is perceived to be marginalizing the subculture. Previous research has highlighted the importance of this communication process to the wider audience to the sense of legitimacy that

a subculture holds (Kozinets 2001). Marketers form a key source of legitimizing communication about brands and product categories to out-group audiences. This research has also highlighted the added complexity that exists in identity projects when the dyadic relationship between brand communities is extended to include their place within the wider subculture.

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# Are Free-Trial Customers Worth Less Than Regular Customers?

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## ABSTRACT

There is surprisingly little research on whether a customer acquired via a free trial is worth less to a firm than a regular customer. To address this question, we conceptualize and test how the acquisition mode drives service usage behavior and consumer retention decisions, and, in turn, customer lifetime value.

Content Code: Adoption and Innovation / Product Trial; Loyalty

Method Code: Econometric Analysis; Multivariate Data Analysis

## PURPOSE OF THE RESEARCH

Many service firms acquire customers by offering free trials for a limited amount of time. Well-known examples include mobile telephone providers (e.g., AT&T in the US) and digital TV (e.g., Sky television in Australia and New Zealand). A key question to a service provider reviewing its customer base is whether the Customer Lifetime Value (CLV) of customers acquired by a free trial promotion is different from the CLV of regular customers. A factor that complicates this analysis is that many subscription services include two components, flat-rate services (e.g., regular TV programs) and pay-per-use services (e.g., videos-on-demand). While the usage of both services may determine the likelihood that the customer is retained (e.g., Bolton and Lemon 1999; Bolton, Lemon, and Verhoef 2004), usage of pay-per-use services, unlike flat-rate usage, directly generates revenues.

Therefore, this research seeks to understand the effects of free trials on the service usage behaviors that underlie customer retention and CLV. Our objective is to help managers understand (1) the implications of free-trial acquisition for customer value, and (2) how marketing actions could be used to increase CLV. To answer these questions, we develop models for consumers' usage and retention decisions and calibrate them on consumer panel data from a large European digital TV provider. We find that the lifetime value of free-trial customers is, on average, 34% lower than that of regular customers. However, free-trial customers are more responsive to marketing activities.

## CONTRIBUTION TO EXTANT LITERATURE

The CLV literature has grown strongly in the past decade (e.g., Fader and Hardie 2010; Gupta et al. 2006; Rust, Lemon, and Zeithaml 2004). A recent line of research in this area documents how acquisition mode affects customer value. For instance, research has investigated acquisition tools such as price discounts (e.g., Lewis 2006), contact channels (e.g., Reinartz, Thomas, and Kumar 2005), and word-of-mouth (e.g., Schmitt, Skiera, and Van den Bulte 2011).

However, precious little research has looked at how acquisition through *free trials* influences customer value. Research that studies the effect of trial on customer behavior (e.g., Bawa and Shoemaker 2004; Gedenk and Neslin 1999; Scott 1976), does not compare the customer lifetime value of free-trial customers and regular customers.

Another novel aspect is that we study the impact of free trials on customers' *usage behavior*. Studying usage behavior is essential for a good understanding of the relation between acquisition mode and CLV, as we explain next.

## CONCEPTUAL FRAMEWORK
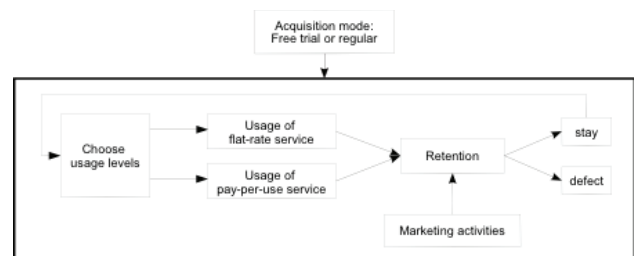


The conceptual framework in Figure 1 represents the consumer's decision process for usage levels and retention, which jointly drive CLV.

*Extent of service usage*

Every period, consumers decide on their usage levels. We distinguish between two types of service usage often found in a service setting: (1) usage of the flat-rate service, which is included in the subscription charges, and (2) usage of the pay-per-use service, for which consumers pay per unit of consumption. In

line with extant literature (Lemon, White, and Winer 2002), we expect consumers to show habit persistence in their preferences for service usage.

*Service retention*
At the end of every period, a consumer decides whether to retain the service or not. Consistent with past research, we postulate that the retention decision is driven by previous usage intensity, representing the personal value of the service (e.g., Bolton and Lemon 1999), and by marketing activities (Blattberg, Malthouse, and Neslin 2009; Narayanan and Manchanda 2009; Prins and Verhoef 2007).

*Differences between free-trial and regular customers*
We expect that the retention decision process for consumers acquired with free trials differs from the decision process of regular customers. One difference is that the baseline usage and retention levels may diverge for the two customer groups. Free trials may attract consumers that a priori have lower valuations for the service (e.g., Anderson and Simester 2004; Neslin and Shoemaker 1989), and who may therefore use the service less intensively and show lower retention rates.

Furthermore, we expect that previous usage intensity may be more informative for the retention decision to free-trial customers than to regular customers, as the former customers are likely to evaluate the personal relevance of the service more carefully. We also expect that free-trial customers may respond differently to marketing actions such as direct marketing and advertising. Consumers acquired with free trials may especially seek ways to reduce their uncertainty about the service. Marketing activities, in that respect, remind customers of the benefits of using the service and may thereby reduce perceived risk.

## DATA AND METHOD
Our data comprises marketing efforts and customers' usage and retention decisions across 24 months for 22,832 customers of a large European interactive TV (iTV) provider. iTV is a technology that enables customers to interact with the TV, e.g., by browsing an electronic program guide or watching video-on-demand (VOD). Our data includes two types of usage: (1) flat-rate usage, which is measured by monthly channel zaps, and (2) usage of pay-per-use services, which is measured by the monthly amount of VODs a customer has watched. Further, our dataset contains information on (1) direct marketing, measured as the number of monthly direct-marketing contacts, and (2) advertising spending, measured as the focal company's share of voice.

The company's acquisition strategy offers a unique setting to study the impact of free-trial acquisition in a quasi-experimental setting. In an effort to accelerate customer base growth, the company offered free trials for a period of 10 months during the 24-month observational period. At the same time,

**Table 1**
**Estimation Results (Excerpt)**

| | Estimate (standard error)a | | | | | Estimate (standard error)a | | |
|---|---|---|---|---|---|---|---|---|
| | Population Mean | Standard Deviation | | | | Population Mean | | Standard Deviation |
| Retention | | | | | Flat-rate service (log zaps) | | | |
| Trial | -.298 | .019 | | | Trial | -.140 | (.008) | .116 |
| Flat-rate usage | .163 | .002 | | | Lagged usage of flat-rate | .277 | (.001) | .005 |
| × Trial | .020 | .006 | | | × Trial | -.024 | (.002) | .029 |
| Pay-per-use usage | .054 | .018 | | | | | | |
| × Trial | .015 | .016 | | | Pay-per-use service (VODs) | | | |
| Direct marketing | .073 | .017 | | | Trial | .082 | (.009) | .036 |
| × Trial | .032 | .017 | | | Lagged usage of pay-per-use | .026 | (.000) | .003 |
| Advertising | .031 | .047 | | | × Trial | -.005 | (.000) | .003 |
| × Trial | .249 | .029 | | | | | | |

a Numbers in bold are significant at the p < .05 level.
Notes: 2 × log-likelihood: -624.064. Full estimation results are available upon request.

the company continued to offer regular subscriptions. Our data set comprises 10,609 free-trial customers and 12,223 regular customers.

We model the three dependent variables (i.e., retention, usage of flat-rate service, and usage of pay-per-use service) with a system of equations. Furthermore, we account for heterogeneity by allowing the model coefficients to vary across consumers.

## MAIN RESULTS
Our results are in Table 1. We find that, while free-trial customers use the flat-rate component *less* intensively than customers acquired with regular subscriptions,[1] they use the pay-per-use service *more* intensively. Free-trial customers have a lower retention rate than regular customers, even after controlling for higher defection during the free-trial period. Flat-rate usage and usage of the pay-per-use service are positive drivers of retention. However, relative to regular customers, free-trial customers rely more on these usage components when deciding whether to retain the service or not. Finally, the impact of both direct marketing and advertising on retention is positive,

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1  *We use p < .05 throughout.*

Figure 2
CUSTOMER LIFETIME VALUE & RESPONSIVENESS TO MARKETING ACTIVITIES



a) Distribution of CLV     b) Responsiveness to advertising     c) Responsiveness to direct marketing
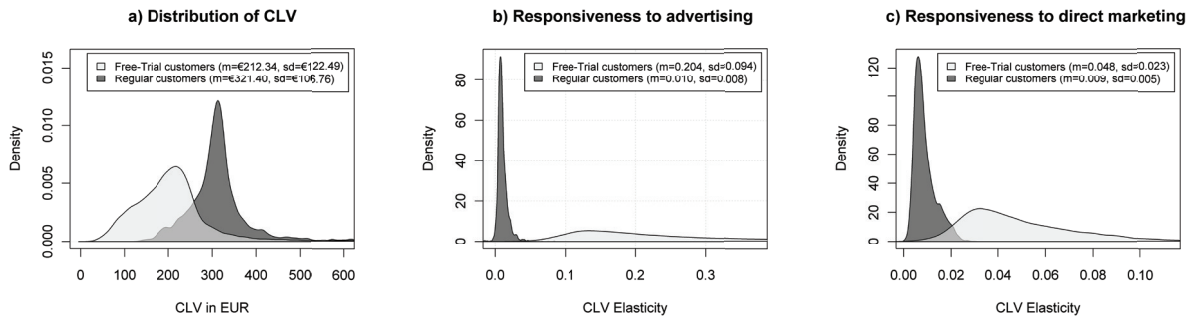
but free-trial customers are more responsive to both marketing actions.

We next illustrate the impact of acquiring customers with free trials on CLV across a 24-month time period. Free-trial customers, on average, are worth 34% less than regular customers (€321 vs. €212, see Figure 2a). The substantial difference in CLV can be explained by free-trial customers' lower usage of the flat-rate service and higher disadoption rates. Higher usage of the pay-per-use service cannot make up for these negative effects.

The company, however, can increase CLV for free-trial customers via its marketing activities. The elasticity of advertising with respect to CLV is substantially higher for free-trial customers than for regular customers: 0.204% versus 0.010% (see Figure 2b). Similarly, customers acquired with free trials are more responsive to direct marketing than regular customers (see Figure 2c).

## IMPLICATIONS

In this research, we examine the value implications of acquiring customers with free trials. Our findings have three important implications. First, customers attracted with free trials tend to generate lower revenues than regular customers. Second, we show that the acquisition mode correlates with a customer's usage behavior. Utilizing this link may lead to improved decisions. For instance, since past usage levels are stronger drivers of retention decisions for free-trial customers, a drop in usage for a free-trial customer calls for immediate action to avoid the customer to churn. Third, managers need to consider that marketing-mix instruments may differentially impact customers, depending on how they were acquired. We find that a manager could increase the return on marketing investments by targeting more of the direct-marketing and advertising budget to free-trial customers.

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# How do Self-face Concerns Affect Unethical Consumer Behavior in a Chinese Cultural Context?

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## ABSTRACT

This study attempts to alleviate important gaps in the literature by examining how self-face concerns affect unethical consumer behavior in a Chinese cultural context. Surprisingly, consumers who rate highly on self-face concerns are found to show more unethical behavioral intentions when their actions are not monitored.

**Keywords:** Consumer unethical beliefs, Self-face concern, Consumer unethical behavioral intentions, Chinese cultural context, Unethical behavior model.

## INTRODUCTION

The concept of 'face' is a crucial aspect of Chinese identity. It represents the reputation and credibility one has earned in a social network (Chang and Holt, 1994). Although the concept of 'face' was originally developed to explain social interactions and human relationships, it is believed that self-face concerns are particularly significant in influencing how the Chinese behave as consumers, especially when they are in situations with ethical issues (Cupach and Metts, 1994; Liu and Su, 2007). In the marketing exchange progress, Chinese consumers might maintain and protect their 'face' by avoiding unethical behaviors. In addition, they might maintain separate ethical standards for their public and private lives since 'face' is a social construction issue (Ting-Toomey, 1988). Overall, this unique and interesting cultural phenomenon of preserving face provides an important theoretical opportunity to broaden our understanding of consumer ethics and behaviors in a Chinese context.

Figure 1: Conceptual framework

## CONTRIBUTION TO EXTANT LITERATURE

The current literature on unethical consumer behavior has looked at how beliefs about unethical consumer actions affect unethical behavioral intentions. We expand on this literature by examining how self-face concern affects unethical consumer behaviors in a Chinese cultural context. By doing this, we gain insights into consumer ethics as well as consumer behaviors in a market environment which is culturally different from Western countries. In addition, by exploring the role of self-face concern in unethical consumer behaviors, this study broadens the knowledge of how Chinese consumers react and behave with respect to this important cultural element.

## CONCEPTUAL FRAMEWORK AND HYPOTHESIS

consumers perceive certain activities to be in the marketing exchange process (Muncy and Vitell). Adopting the theory of reasoned action, unethical beliefs are considered as the moral standard that influences consumers' internal behavioral intention before, during and after a purchase (Ajzen and Fishbein, 1980; Ajzen, 1985; De Mooij, 2004). Thus, consumers may avoid performing certain unethical behaviors when these behaviors are evaluated as being wrong in their internal beliefs. Building upon Muncy and Vitell (1992), we posit there are three distinct areas of consumer unethical beliefs: Actively benefitting (i.e., consumers proactively gaining a benefit at the expense of the seller, e.g. taking the merchandise away without paying for it), Passively benefitting (i.e., consumers passively getting the benefit at the expense of the seller, e.g., receiving too much change without saying anything), and No harm / no foul (i.e. consumers believing certain behaviors
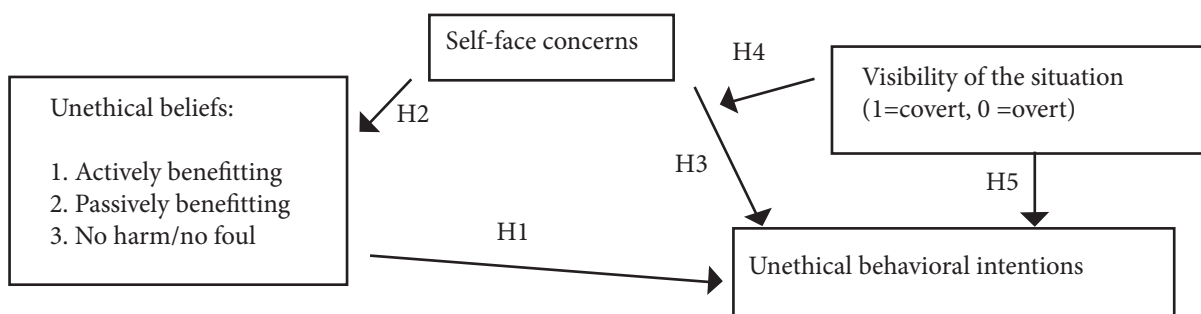
do not hurt the profit of seller, e.g. spending over an hour on different dresses without purchasing any). We posit that:

**H1:** Consumer unethical beliefs are positively related to unethical consumer behavioral intentions. In addition, given the collectivism construction of Chinese culture, individuals with a high level of self-face concern have the intense desire to be respected and admired by others, which may make them more willing to accept ethical principles, further restraining their unethical beliefs (Liao and Wang, 2009). Thus, it is assumed:

**H2:** Self-face concerns reduce consumer unethical beliefs.

When confronted with ethical issues in the purchase and consumption process, consumers do not always take the most ethical behaviors (Marks and Mayo 1991). However, in the Chinese cultural context, the concern for self-image perceived by the public can work as a pervasive social sanction, generating social and moral pressures to avoid unethical consumer behaviors (Ho, 1994). Under this pressure, the Chinese consumers are not likely to behave unethically in order to maintain and construct a positive "self" for a particular situation (Cupach and Metts, 1994). Thus, we hypothesize:

**H3:** Self-face concerns reduce unethical consumer behavioral intentions.

Further, considering the social and interpersonal aspects of self-face concern, the visibility of the situation (covert vs. overt situation) may moderate the relationship between self-face concern and unethical behavioral intention. That is, if a consumer does not feel monitored, self-face concerns are play a less strong role in reducing unethical behavioral intentions. Therefore, we propose:

**H4:** Compared to overt situations, a covert situation will reduce the negative effect of self-face concerns on unethical behavioral intentions.

Moreover, we expect that consumers, in covert situations, are more likely to conduct unethical behaviors while, in overt situations, the intentions of doing behaving unethically may reduce. It is proposed:

**H5:** The more visible the situation, the lower a consumer's unethical behavioral intentions.

Data and method

To meet the objectives of this research, we developed a questionnaire, including unethical belief items, self-face concern items and unethical behavioral intention items. More specifically, we used the items from Muncy and Vitell (1992) for the three domains of consumer unethical beliefs: (1) "actively benefitting at the expense of the seller" (4 items); (2) "passively benefiting at the expense of the seller" (2 items); and (3) "no harm/no foul" (2 items). For self-face concerns, we used items from Zane and Yeh (2002). For unethical behavioral intentions, we particularly designed 7 situations. (7 items; Cronbach's alpha = 0.835).

For the visibility of the situation, we used a between-subject design by manipulating two versions: covert situations (the consumer was not monitored) and overt situations (the consumer was monitored). For example, in the *covert* situation, one Likert item for unethical belief read like "Breaking a bottle of wine by accident when doing grocery shopping, but nobody notice what happened. Would you walk away and pretend nothing happened?" In the *overt* situation, it was reformulated as "Breaking a bottle of wine by accident when doing grocery shopping, but some customers notice what happened. Would you walk away and pretend nothing happened?".

Two experts in both languages jointly translated the questionnaire from English to Chinese. The research was conducted in Tianjin, a large city in the east of China, over a period of three weeks. Questionnaires were handed out at airports, bus stations and resting areas of the shopping malls where people have more free time to participate in the research. To make sure all information obtained reliable and credible, consumers were asked to complete the questionnaire anonymously and voluntarily. Totally, 300 questionnaires were handed out, with 150 on each version. 219 complete questionnaires were collected: 113 of the overt version and 106 of the covert version.

## MAIN RESULTS

To test our hypothesis, four regression models were run: one for each of the three domains of unethical beliefs, and one for unethical intentions. Each of the four models include, besides the hypothesized effects, a dummy for female, because gender was found to have a significant effect on consumer unethical beliefs in past research (Muncy and Vitell, 1992; Babakus, Cornwell, Mitchell and Schlegelmilch, 2004).

Our results support Hypothesis 1, which involves the effect of unethical beliefs on consumer unethical behavioral intentions (ActivBenef, B=.165, $p$ =.071*; PassivBenef, B=.244, $p$ =.002**; NoHarm, B=.117, $p$ =.073*). Thus, consumers with higher level of unethical beliefs are more likely to conduct

unethical behaviors.

Also, as indicated in table 1, self-face concern is significantly correlated to unethical beliefs (actively benefiting, B=-.220, *p* =.007; passively benefiting, B=-.169, *p* =.077; no harm/no foul, B=-.212, *p* =.055 ). The stronger self-face concerns Chinese consumers have, the less unethical beliefs they will have. Hypothesis 2 is supported.

There is no support for self-face concern directly affecting unethical behavioral intentions (B=-.103, *p* =.451), and hence, Hypothesis 3 is rejected. However, when considering the moderating effect of the visibility of the situation, we find that a covert situation reduces the negative effect of self-face concern on unethical behavioral intentions (B=.400, *p* =.043**), supporting Hypothesis 4. The reversal is even that strong, that self-face concerns *increase* unethical behavioral intentions when the situations is covert (Figure 2).

*Figure 2: The effect of self-face concerns on unethical behavioral intentions*
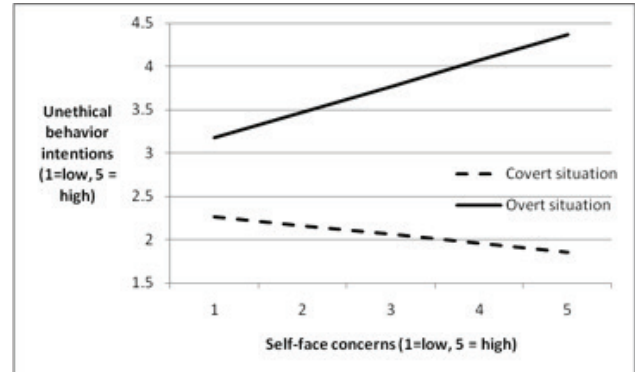


Interestingly, version (covert vs. overt) is found to have a positive significant effect on consumer unethical behavioral intention (B=.562, *p*=.000**), which indicates that Chinese consumers are more likely to conduct unethical behaviors in a covert situation.

Table 1: The results of the regression models

Regression 1:     Dep. Var: Actively benefitting     $R^2$=.034, F=3.751,p=.025**

|  | B | t | p-value |
|---|---|---|---|
| Indep. Var: | 2.561 | 7.866 | .000** |
| Constant | -.220 | -2.737 | .007** |
| Self face concern | -.017 | -.220 | .826 |
| Dummy Female |  |  |  |

Regression 2:     Dep. Var: Passively benefitting   $R^2$=.016, F=1.748, p=.177

|  | B | t | p-value |
|---|---|---|---|
| Indep. Var: | 2.542 | 6.748 | .000** |
| Constant | -.169 | -1.780 | .077* |
| Self face concern | .046 | .494 | .622 |
| Dummy Female |  |  |  |

Regression 3     Dep. Var: No harm/no foul     $R^2$=.025, F=2.821, p=.062*

|  | B | t | p-value |
|---|---|---|---|
| Indep. Var: | 3.145 | 7.184 | .000** |
| Constant | -.212 | -1.928 | .055* |
| Self face concern | .140 | 1.301 | .195 |
| Dummy Female |  |  |  |

Regression 4:     Dep. Var: Unethical behavioral intention $R^2$=.285, F=12.013, p=.000**

|  | B | t | p-value |
|---|---|---|---|
| Indep. Var: | 1.450 | 2.417 | .017** |
| Constant | -.103 | -.755 | .451 |
| Self face concern | -.147 | -1.535 | .126 |
| Dummy Female | .517 | 6.134 | .000** |
| Dummy covert situation | .400 | 2.037 | .043** |
| Self face concern X Dummy covert situation | .165 | 1.813 | .071* |
| Actively benefitting | .244 | 3.176 | .002** |
| Passively benefitting | .117 | 1.799 | .073* |
| No harm/no foul |  |  |  |

*p<0.10 (two-tailed); **p<0.05 (two-tailed)

## DISCUSSION

The present study systematically tested the relationships between consumer unethical beliefs, self-face concerns and unethical behavioral intentions in a Chinese cultural context. Hypothesis 1 shows that unethical belief is positively correlated with unethical behavioral intentions. Chinese consumers with higher level of unethical beliefs are more likely to conduct unethical behaviors. It addressed the importance of unethical beliefs in influencing unethical behavioral intentions in the Chinese cultural context. It further confirmed the traditional theory of reasoned action from Ajzen and Fishbein (1980) and Ajzen (1985): an individual's behavior is determined by an individual's beliefs and the evaluation of those beliefs.

Additionally, self-face concern is found to reduce unethical beliefs, supporting Hypothesis 2. It indicates that, as a unique character of Chinese culture, self-face concerns predominately affect consumers' internal beliefs about right and wrong. This finding broadened our prior research of how culture, as a crucial antecedent, influences consumer unethical beliefs (Al-Khatib, Vitell and Rawwas, 1997; Babakus, Cornwell, Mitchell and Schlegelmilch, 2004).

However, self-face concern does not significantly affect unethical behavioral intentions, which rejects Hypothesis 3. Although Chinese consumers normally have the underlying motive to protect their self-image, the findings in the current study indicates that self-face concern does not really directly affect their unethical behaviors in daily consumption process.

Interestingly, the visibility of the situation (covert vs. overt) is demonstrated to have a significant positive effect on unethical behavioral intention, which helps to explain a social phenomenon: consumers are more likely to conduct unethical behaviors in covert situations, while, in overt situations, when being inspected by cameras and others shopping around, the intentions of conducting unethical behaviors are reduced.

There is another interesting finding: the significant moderating effect of the visibility of the situation on the relationship between self-face concern and unethical behavioral intention. That is, in covert situations, consumers with high level of self-face concern will be freed of the constraint of concerning how they are perceived by other people, and start being 'naughty' by behaving badly and unethically.

Overall, we believe this study contributes to understand the social and interpersonal aspects of self-face concern in the consumption process.

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# Brand Consumption Rituals and National Identity

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## ABSTRACT

Ritualized brand behavior that is considered characteristic within a national community is explored. We identify rituals surrounding brand consumption that impact on national identity. Insights are offered on the role of specific brand stories, memories attached to brands, gift giving and shared consumption occasions when hosting family functions.

## EXTENDED ABSTRACT

Consumption rituals and the associated products that define holidays, special occasions, and other sacred events have been have been recognized in the literature for some time (Belk 1990; Otnes and Scott 1996; Wallendorf and Arnould 1991), and more recently, there have been analyses of scripted service rituals created by businesses, particularly in retail stores and restaurants (Kreiter 2010). The ritual consumption of specific brands is an area of interest to practitioners at present. Bloggers and the trade press are talking about the power of brand rituals and the need to create them in order to develop a point of differentiation and build brand loyalty (see, for example, Howard 2011). They suggest that, in the ideal situation, brand owners should latch on to ritualized behavior that already exists. However, while the generation of rituals by consumers, not brand owners, has been studied in the context of online brand communities (see, for example, Cova and Pace 2006; Muñiz and O'Guinn 2001; Muñiz and Schau 2005) this is a relatively under-researched area of study. Furthermore, there is much still to be learned about the role of such brand rituals in the life of consumers and the offline communities they are part of.

Within the consumer research literature, national communities are a rarely studied form of community, and the importance of belonging to a national community has been overlooked. However, a review of the literature in several specialist journals devoted to the study of nations and identity, including *National Identities, Nationalities Papers: The Journal of Nationalism and Ethnicity* and *Social Identities: Journal for the Study of Race, Nation and Culture* suggests that consumers in many national communities are actively concerned about their identity, and are troubled by issues of colonization

and indigenous populations, recent establishment and linkages with other nations or economic communities, ethnic diversity and the effects of biases in immigration policies. Clearly, national community is still a relevant and important form of community and type of collective national identity for many people.

Communities are characterized by consciousness of kind, shared rituals and traditions, as Muñiz and O'Guinn (2001) identified in their study of brand communities. The essence of belonging to a national community is expressed as national identity, distinguished by myths, psychological characteristics and national stereotypes, attachment to place, popular symbols and collective values and rituals. National community is enacted through group activities, social norms, specific customs and institutions that constitute group life and permanent social rituals. Consumption rituals within a national community might be expected to incorporate consumption of long established and much loved brands. And, while Holt (2004) conceptualized iconic brands as deriving their power from cultural myths and stories, there is little in the literature to suggest how brand consumption rituals might be part of national consumption rituals and might contribute to national identity.

We explore some ritualized brand behavior that is considered characteristic within a national community. The findings in this paper are part of a larger study aimed at investigating the effect of brands on national identity. A qualitative two-part multi-modal interview methodology was designed for this research. Interviews were conducted in New Zealand with friendship pairs of women and with each woman separately. Narrative accounts of their life histories and joint narratives of brand consumption experiences (with a focus on national identity) were elicited.

The research findings revealed various national community practices and rituals surrounding brand consumption. Very particular rituals that function as common practices for the nation were described for many brands, especially food and drink brands. These consumption rituals can be categorized in several ways. Firstly, participants described the importance of providing certain brands in conjunction with hosting family occasions, especially when

entertaining those returning from abroad. *When we have family from overseas come, we have to stock up on L&P. It is [a kiwi sort of thing] for them, yep, they come home and they, you gotta make sure you got L&P and Rashuns and things*. (Donna). Brands such as L&P (soda), Pineapple Lumps (confectionery) and Twisties (savory snack food) were often mentioned. They were discussed as being '*really Kiwi*' brands, reflecting their status as virtually unique to New Zealand. As a point of clarification, it is interesting to note that, participants specifically nominated particular *brands* rather than unique *products*. While it was not the focus of discussions, participants implied that direct product substitutes, such as offered by retailer/house brands, would not have been acceptable for these occasions. Specific brands were considered essential for the purposes of reunions because of stories and memories attached to the brand and to shared consumption occasions of these treats in the past.

Secondly, there were rituals surrounding the gifting of brands that held great significance within the national context. The importance of the brands in these rituals was as much to do with consumption of the brand story as the actual branded product. When mixing and socializing with foreigners, particular brands were reportedly gifted to display pride in national identity. Brands such as Icebreaker (merino wool clothing), Cloudy Bay Sauvignon Blanc and 42BELOW vodka were named as providing the means for the gift giver to validate their national identity. Each of these brands has powerful brand narratives that mine rich veins of nationally important myths and stories. For example, Icebreaker highlights the raw and natural world, authenticity, purity and being close to nature, accompanied by spectacular panoramic alpine scenery; Cloudy Bay Sauvignon Blanc "is an international benchmark wine widely regarded as the quintessential expression of the acclaimed Marlborough wine region," according to the brand website http://www.cloudybay.co.nz/TheWines/SauvignonBlanc; and 42 Below is known for its innovative, mischievous and entrepreneurial style, and has earned a strong reputation for authentic New Zealand purity, quality and exceptional taste, according to publicity at www.42below.com. Such brand narratives, consumed in a variety of marketing communications, offer alternative ways to experience New Zealand national identity. The high quality and distinctiveness of nominated brands, combined with the brand story itself, allowed the participants to experience national identity through brand consumption/gifting rituals.

The study has identified rituals surrounding brand consumption that impact on national identity in the New Zealand context. These various ritual dimensions of brand consumption that are a means of re/experiencing national identity have not been reported in the literature and represent a novel contribution of this study. New insights have been gained regarding the role of specific brand stories, memories attached to brands and shared consumption occasions when hosting family functions and on gift giving occasions. We conclude that brand owners and their agents who are aiming to latch on to ritualized behavior that already exists, could benefit from utilizing socio-cultural readings of brands with respect to national identity, including understanding the role of brand stories and brand consumption in national consumer rituals.

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# The Influence of Temperature on Consumer's Reaction to Emotional Appeals

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Drawing on embodied cognition research, we empirically test a new moderator of the consumers' responses to advertising- temperature. We find that cold physical temperature enhances consumers' attitudes to emotionally warm ads; warm physical temperature decreases consumers' responses to emotionally warm ads and instead enhances consumers' attitudes towards emotionally cold ads.

**Keywords:** *Emotional Warmth, Embodied Cognition, Temperature, Advertising*

## INTRODUCTION

Why do we get cold shivers while watching a horror movie? Or feel warmth inside when thinking of someone we love? Is it possible that our experiences of some emotions actually make us feel "warmer" or "colder?

People often use *"emotional temperature"* in everyday life to describe emotions (for example, "cold fear", "warm love"). Emotional warmth is defined as a rather positive, mild, volatile emotional construct involving physiological arousal and triggered by experiencing directly or vicariously a love, family or friendship relationship (Aaker, Stayman, and Hagerty 1986). Despite warmth often being used in advertising (Fam 2008; Smit, van Meurs, and Neijens 2006), empirical research on the effectiveness of such a strategy has been relatively scarce (Vanden Abeele and MacLachlan 1994). In particular, it is unclear whether and under which conditions emotionally warm (versus cold) appeals in advertising are effective. This research aims to start filling in this gap.

We introduce and empirically test in a lab experiment the moderating influence of physical temperature on consumers' responses to emotional warmth (vs. cold) in advertising. Drawing on embodied cognition research, we demonstrate that in cold temperatures, consumers' attitude towards emotionally warm ads is more favourable than their attitude towards cold ads. Furthermore, we show that consumers' attitude towards emotionally warm ads is more favourable in cold temperatures than in warm temperatures. People use emotional warmth to warm themselves up when feeling physically cold.

Our findings have implications for ad campaigns and their timing, as well as implications for cross-cultural advertising.

## THEORETICAL BACKGROUND
## EMBODIED COGNITION

Embodied cognition research (e.g., Barsalou 2010) proposes that cognitive activity is grounded in the environment. Put simply, it suggests that mind and body are closely related. Growing evidence from social neuroscience research supports this view and argues that the connection between physical and emotional warmth is anchored within humans (Meyer-Lindenberg 2008). The insular cortex, a specific brain region, plays a role in the processing of both physical temperature (Craig, Chen, Bandy and Reiman, 2000) as well as emotional warmth (Williams and Bargh 2008).

Recent findings on the connection between physical and emotional warmth from the embodied cognition literature (Barsalou 2010) provide further support. For example, Zhong and Leonardelli (2008) found that people who brought a previous experience of social exclusion to mind described the room temperature as being significantly colder than people who thought of an experience of social inclusion, even though the temperature itself was held constant across the conditions. Further, IJzerman and Semin (2009) found that people holding a hot beverage evaluated the relationship to their friends and family to be closer than people holding a cold drink. Similarly, Williams and Bargh (2008) found that participants who held a hot beverage perceived the personality of a fictitious person to be warmer.

From a biological and evolutionary perspective, humans urge to keep themselves warm to survive (Austin and Vancouver 1996). Hence, feeling physically cold should lead to a desire for warmth. Given the apparent link between physical and emotional warmth, an anxiety for emotional warmth could channel this desire to warm up under physical cold. Hence, we predict that *physical* coldness (vs. warmth) activates a need for *psychological* warmth and thus should increase consumers' response to any stimulus that triggers emotional warmth. Translated

to a business context, this implies that, *ceterus paribus*, advertisements associated with emotional warmth should be more effective when consumers are psychically cold. Stated differently, applying the embodied cognition research, we predict that the effect of a warm (cold) advertising diminishes if the consumer is already warm (cold) due to a high (low) physical temperature. The study below was designed to test this proposition.

## METHODOLOGY

*Participants and procedure*. In total, 299 students (46.8 % females) from a large Western-European university participated in the experiment. They were randomly assigned to one of the 4 conditions of the 2 (physical room temperature: cold vs. warm) x 2 (emotional advertising: warm vs. cold) between-subjects factorial design experiment. In the warm temperature condition, we held room temperature constant at around 30 °C. In the cold condition, temperatures laid at around 14 °C. The emotional temperature was manipulated based on the advertising stimuli that we selected based on our pre-test (n= 137). In particular, we created and tested different print advertisements for a fictional toothpaste brand. Participants evaluated the ad on six 7-point scales: ad liking, ad interest, convincingness of the ad, ad appeal, the ad's potential to be remembered, and finally the ad's effectiveness (1 = "not at all", 7 = "very high"). Next, participants indicated the perceived emotional warmth of the ad and the perceived physical temperature in the room on 7-point scales, respectively (1 = "very cold", 7 = "very warm").

## RESULTS

*Manipulation checks*. As intended, in the cold temperature condition participants evaluated physical temperature to be significantly lower ($M = 2.68$) than in the warm temperature condition ($M = 6.09$; $F(1, 299) = 869.24$, $p = .000$). Next, as intended, respondents indicated significantly higher scores on perceived emotional warmth in the warm stimulus condition ($M = 3.93$) than in the cold stimulus condition ($M = 1.69$; $F(1, 297) = 144.71$, $p = .000$).

*Effectiveness of emotionally warm/cold stimuli*. We conducted a 2 (physically warm vs. physically cold) x 2 (emotionally warm vs. emotionally cold) between-subjects ANOVA. As our dependent variable, we calculated an index for attitude towards the ad as the mean of our six consumer response items (Cronbach's $\alpha = .836$).

We find a significant main effect of emotional warmth of the advertisements on attitude towards the ad ($F(1, 290) = 13.52$, $p = .000$, $\eta^2 = .045$). This result is consistent with some of the scattered findings in the literature, indicating that emotional warmth has a positive effect on attitude towards the ad (Aaker, Stayman, and Hagerty 1986). The main effect of physical temperature on attitude towards the ad ($F(1, 290) = .06$, $p = .800$, $\eta^2 = .000$) was not significant. However, as predicted, the interaction effect of emotional warmth and physical temperature on attitude towards the ad was significant ($F(1, 290) = 8.37$; $p = .004$, $\eta^2 = .028$). This result implies that respondents' physical temperature moderated the effect of emotional warmth. Figure 1 shows the mean values of attitude towards the ad across conditions.
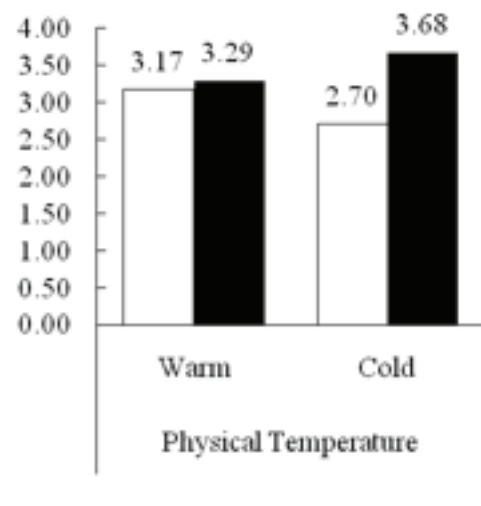


*Figure 1: Moderating Effect of Temperature on the Effect of Warmth/Cold Appeals*

To better understand the interaction effect, we conducted planned comparisons. First, we compared scores on attitude towards the ad to test the hypothesis, that cold temperatures enhance attitudes towards emotionally warm ads. Respondents in the cold temperature condition indicated for emotionally warm advertisements a significantly higher attitude towards the ad ($M = 3.68$) than for emotionally cold advertisements ($M = 2.70$, $F(3, 290), = 7.42$, $p = .000$). Thus, under the influence of cold temperatures our results indicate a positive effect of emotional warmth (compared to emotional cold) on consumers' responses to advertising. Further, the attitude towards an emotionally warm ad is higher in the physically cold condition ($M = 3.68$) than in the physically warm

condition ($M$ = 3.29, $F(3, 290)$ = 7.42, $p$ = .072). Hence, the results indicate that cold temperature enhances attitude towards emotionally warm ads.

Second, we conducted planned comparisons to test, whether warm temperatures enhance attitude towards emotionally cold advertising. The results indicate that as expected, attitude towards the ad arousing emotional cold is significantly higher in the physically warm condition (M = 3.17) than in the physically cold condition ($M$ = 2.70, $F(3, 290)$ = 7.42, $p$ = .022). However, once people feel physically warm, they show no significant difference in the attitude towards emotionally cold and warm advertising (i.e., respondents exposed to warm temperature showed no significant difference in attitude towards the ad for emotionally warm ($M$ = 3.29) versus cold ads ($M$ = 3.17, $F(3, 290)$ = 7.42, $p$ = .581). Hence, while consumers use, as suggested by embodied cognition theory, warm appeals to warm themselves up in a physically cold environment, they do not seem to make a differences between either cold or warm emotional stimulation when they are physically warm.

## DISCUSSION AND IMPLICATIONS

Drawing on embodied cognition research, we introduce and empirically test the environmental context moderator of physical temperature on the effectiveness of emotionally warm versus cold advertising campaigns. Our results indicate that consumers' physical temperature moderates this relation between emotional warmth and consumers' responses to the ad. In particular, we find that while cold physical temperature enhances consumers' responses to emotionally warm ads, warm physical temperature decreases consumers' responses to emotionally warm ads and instead enhances consumers' attitudes towards emotionally cold ads.

Our findings have important implications for the execution of seasonal and international marketing campaigns. Managers might, for instance, employ either warm or cold appeals in advertising during the summer months, while they should prefer warm appeals over cold ones in winter. in countries with cold climates, and rational, functional ("cold") advertisements should be more effective in countries with warmer climates.

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# State of Inertia: Psychological Preparation of Single Women for Retirement

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## SHORT ABSTRACT

This research examines the psychological preparation undertaken by single baby-boomer women in regards to their post-retirement living arrangements. The results of our study show Australian women have a more rational psychological preparation for retirement than their UK counterparts.

## EXTENDED ABSTRACT

The transition into retirement is an important life phase that can cause significant shifts in the retiree's health, wealth and lifestyle (Hesketh, Griffin and Loh, 2011). Retirement planning is crucial to a happy retirement, as recent literature has shown a considerable relationship between the preparation put into retirement and the satisfaction enjoyed in retirement as a result (Lee, 2003; Topa *et al.,* 2009*;* Noone, Stephens and Alpass, 2010). In addition to financial planning for retirement, it is essential for retirees to know how to prepare psychologically for retirement (Lee, 2003). Psychological preparation can help people feel more confident, more in control and better able to accept and adapt to changes in retirement.

In examining retirement preparation, few studies have considered two important contributing factors of gender and marital status, and to date no study has examined these two constructs using a cross-cultural perspective (Hershey, Henkens and Van Dalen, 2007). The women of the baby boomer generation are the largest cohort of women to reach retirement age, and many enter retirement with negligible levels of wealth and no property ownership apart from their homes (Lusardi and Mitchell, 2007). Women also tend to have shorter working lives and subsequently lower earnings resulting in lower pension funding (Lusardi and Mitchell, 2008). This places single women at risk of a much reduced standard of living post-retirement and highlights the need for greater financial planning, preparation and funding for retirement. Research has shown single women behave differently than partnered women regarding retirement, for example, Noone, Stephens and Alpass (2010) state that "single women may have more negative perceptions of retirement due to financial difficulties compared to partnered women"

(p.719). Culturally, perceptions of retirement and government welfare policies form an important part of retirement planning. For example, in a study of retirement planning in Hong Kong only 43% of women were found to be confident that they will be able to save enough money for retirement, leaving many feeling dependent on the welfare provisions of the state (Lee, 2003). Studies of welfare systems in the UK and Australia have shown that while the underlying principles are similar, the local manifestations are somewhat different (Wright, Marston, and McDonald, 2011). As retirement is defined as a process of planning and decision-making (Beerh, 1986), the desire and intention to make lifestyle changes post-retirement requires a rational process of collecting and processing information to achieve the set goal. Thus, this study examines how the intention to make a lifestyle change post-retirement impacts on the psychological preparedness of single women in the UK and Australia. Specifically, this study utilises the context of post-retirement housing as living arrangements form a significant component of lifestyle and financial planning.

This research employs the theory of planned behaviour (TPB) model to estimate the intention of single female baby boomers to change their housing situation post-retirement. We use an extended TPB model that includes the relationship between intention and actual behaviour, in this case financial advice-seeking as an important component of psychological preparedness (Dorfman, 1989 cited in Lee, 2003). Advice-seeking can include discussing retirement intentions with family, friends and colleagues as well as obtaining information from education, counselling programs and the mass media. Therefore, we measure advice-seeking behaviour with three components: seeking formal personalised advice, seeking informal advice from family and friends, and seeking generalised advice through attending seminars and information sessions. Following Lee (2003) we hypothesise that women who intend to change their housing post-retirement will seek advice from multiple channels pre-retirement. This behaviour is likely to indicate a rational approach to psychological preparation for retirement.

To test the measurement model data was

collected from 1103 single female baby boomers using an online questionnaire conducted by an external data collection agency. The sample comprised 400 respondents from the UK and 703 from Australia. The average age of respondents across countries was 56, with the majority of respondents divorced (UK 52.8%, Australia 57.8%) with children living at home (UK 35.5%, Australia 41.4%). Respondents from the UK were more likely to be engaged in full-time work (45.5%) and have a university level qualification (39%) compared to Australian respondents (39% and 24.9% respectively). Respondents in the UK reported having higher levels of savings but not necessarily in investments and superannuation. With superannuation forming a key funding source for retirement, it is important to note that the majority of respondents across both countries held less than $USD100 000 in superannuation.

Respondents were screened to ensure they met the target sample requirement: females born between 1945 and 1964 that are single (non-partnered). The questionnaire included measures of attitude towards housing change, social norms, perceived behavioural control, intention to change housing, advice-seeking behaviour and general attitudes towards retirement as well as demographic items. All TPB items were derived from the TPB framework (Fishbein and Ajzen, 1975), and advice-seeking behaviour was represented by a single-item measure for each of the three components (formal advice, informal advice, information seminars). Exploratory as well as confirmatory factor analyses were used to assess the reliability of all measures. The model was then tested using structural equation modelling to estimate the effect of intentions to change housing post-retirement on advice-seeking behaviour.

In reporting the following results, two separate sets of analyses are reported. The first involves the findings from the measurement model using the totality of data collected. The second involves testing the model for cross-cultural differences between the UK and Australian respondents.

The combined results show that perceived behavioural control (t=12.071, $p<.001$), social norms (t=12.922, $p<.001$) and attitude towards a change (t=3.335, $p<.01$) have significant direct effects on single female baby boomers intention to change housing post-retirement. This intention to change housing post-retirement also had direct and significant effects on seeking formal advice (t=4.430, $p<.01$), seeking informal advice (t=7.575, $p<.001$)

and attendance at information seminars (t=2.465, $p<.05$). These findings are consistent with recent work on post-retirement housing (Huang, 2011). However, the absolute magnitude of the standardized path coefficients indicate that attitude towards a change in housing has the lowest direct effect on intention to change.

The Australian path model showed similar results to the overall combined path model; however the UK data differed in both the drivers of the respondents' intention to change housing post-retirement, and the impact of intentions on advice-seeking behaviour. The results showed that perceived behavioural control (t=5.239, $p<.01$) and social norms (t=8.025, $p<.001$) were directly and significantly related to intention to change. However in the UK data, attitude towards change was not significantly related to the respondents intention to change their housing post-retirement (t=1.774, $n.s.$). More notable than this difference with Australian data, UK respondents showed significantly different advice-seeking behaviours. The data showed that an intention to change housing post-retirement was not significantly related to seeking formal personalised advice (t=.920, $n.s.$), nor seeking generalised advice through attending seminars and information sessions (t=1.818, $n.s.$). A significant negative relationship was observed between intention to change and seeking informal advice from family and friends (t=6.863, $p<.01$). That is, when a single female baby boomer living in the UK intends to change their living arrangements post-retirement, they will actively avoid discussing their intentions with family, friends and colleagues.

Through an examination of single female baby boomers in the UK and Australia we have identified how an intention to make a lifestyle change, in this case their housing, post –retirement impacts on psychological preparedness in the form of advice-seeking behaviour. Advice-seeking behaviour is an important component of psychological preparedness for retirement, and our study shows that Australian women are more likely to seek advice from multiple sources in preparation for retirement and thereby be more mentally prepared to adjust to a change in their living arrangements. UK women are less likely to seek advice on post-retirement planning and show refusal to seek advice from informal sources such as family and friends. While it has been shown that family as an informal source of advice is on the decline, with more women tending to seek information about retirement

outside their immediate family, individuals who do discuss their retirement plans with family members and other relatives are more psychologically prepared to engage in post-retirement lifestyle changes (Lee, 2003). Similarly individuals who seek education and counselling programs in preparation for retirement are also likely to be better adjusted and satisfied in retirement (Lee, 2003). The findings of this research suggest that social networks and trusted sources such as conferring with family and friends may have a marked impact on the pre-disposition of Australian women to seek advice but these same sources have the opposite impact in the UK with women actively avoiding these same sources. Thus, the engagement process Australian women undertake through seeking advice from multiple information sources shows a more rational approach to becoming psychologically prepared for retirement. This leads to the question as to why women in the UK are not undertaking the same investment in psychological preparedness despite higher levels of education and full-time employment, both factors that contribute to retirement planning (Hershey, Henkens and Van Dalen, 2007; Lee, 2003). The fundamental fact is psychological preparation in a necessary component for a satisfying transition into retirement, and there needs to be a greater understanding of how culture can impact on this process.

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# Consumer Acculturation of Young German Sojourners in New Zealand

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Utilising a longitudinal research design, this consumer acculturation study investigates the differences of mundane everyday consumption from home to host country, explores the degree of cultural change and relevant coping strategies, and scrutinises the possible inclusion of social media into the existing acculturation agents.

## OVERVIEW

In today's globalised world it is easier than ever to move between different countries: "Contemporary population flows, cross-border exchanges and the international mobilisation of human resources" (Lyons, Hanley, Wearing et al. 2012) have led researchers from various fields to investigate global citizenship, transnationalism, and cosmopolitanism. Many consumer behaviour researchers have focussed on the consumer acculturation of immigrants from home to host country, however, only few have thoroughly investigated the temporary and voluntary country-shifting of sojourners (Berry and Sam 1997; Thompson and Tambyah 1999). Utilising a longitudinal research design, this research will concentrate on the consumer acculturation of young German sojourners in New Zealand.

## RESEARCH CONTEXT

The computer-savvy Generation Y is more mobile than other generations - due to their age and often lack of responsibilities (i.e. caring for a family of their own), it is easier to live, work and travel in another geographical setting and culture than their home country. In New Zealand, each year approximately 4,500 young Germans (between 20-29 years old) enter the country on a one-year German Working Holiday Scheme Visa (2011). Many of those, mostly female, work and live as so-called Au-Pairs ('nanny from overseas') in Kiwi families to fully immerse into the local culture, improve their English and earn money for further travels in New Zealand. Unlike backpackers (Larsen, Øgaard and Brun 2011), gap year volunteers (Lyons, Hanley et al. 2012) and most tertiary international exchange students in the same age range (Brown and Graham 2009), Au-Pairs stay in and work for a New Zealand family in a fixed location where they need to integrate and adjust to the family's customs, routines and mundane activities which may ultimately result in personal change. However, no research has been undertaken to investigate this unique group which provides strong grounds for studying Au-Pairs.

## CONCEPTUAL FOUNDATION

The earliest definition of the term acculturation was coined in 1936 by the Subcommittee of Acculturation who defined it as comprehending "those phenomena which result when groups of individuals having different cultures come into continuous first-hand contact, with subsequent changes in the original cultural patterns of either or both groups" (Redfield, Linton and Herskovits 1936). Evaluating the literature on (consumer) socialisation, acculturation and cross-cultural consumer behaviour, Peñaloza (1989) found that consumer acculturation includes processes of consumer learning within a multicultural context and is defined as "the general process of movement and adaptation to the consumer cultural environment in one country by persons from another country" (Peñaloza 1994).

Cross-cultural psychologist John W. Berry was the first author to provide a framework for so-called acculturating groups which incorporates differentiated cultural groups based on their mobility, permanence and voluntariness as can be seen in the following table.

| Mobility | Voluntariness of contact | |
|---|---|---|
| Sedentary | Voluntary | Involuntary |
| | Ethnocultural groups | Indigenous peoples |
| Migrant Permanent | Immigrants | Refugees |
| Temporary | Sojourners | Asylum seekers |

**Table 1:** *Acculturating Groups (based on Berry and Sam (1997))*

The most-studied of the above acculturating groups are immigrants who permanently and voluntary move to another country. Consumer behaviour papers predominantly published in the *Journal of Consumer Research* focus on immigrants such as Wallendorf and Reilly's (1983) early work on Mexican immigrants and Oswald's (1999) research paper on Haitian immigrants in the US. Other papers from the era have also mainly investigated immigrants moving to the United States (Hirschman 1981; Saegert, Hoover and Hilger 1985; Desphande, Hoyer and Donthu 1986; O'Guinn, Lee and Faber 1986; Mehta and Belk 1991; Peñaloza 1994; Peñaloza and Gilly 1999) whereas more recent papers have focussed on immigrants moving from and to Non-North American countries (Lindridge, Hogg and Shah 2004; Askegaard, Arnould and Kjeldgaard 2005; Luedicke and Giesler 2009; Sutton-Brady, Davis and Jung 2010; Chytkova 2011).

However, limited research has focussed on the other group of voluntary movers: Berry and Sam (1997) defined sojourners as short-term visitors staying temporarily in a host country for specific reasons, for example guest workers or missionaries. Their stay can be defined as temporary between-society contact and may have transformative potential indicated by a possibly increased cross-cultural understanding (Brown and Graham 2009). Somewhat similar to sojourners, tourists' visits to a host country are voluntary and temporary, however, usually for a shorter period of time where key attractions and sites are visited and no full immersion into the local culture due to a lack of time and access is guaranteed (Berno and Ward 2005; Ward 2008; Bardhi, Ostberg and Bengtsson 2010; Bengtsson, Bardhi and Venkatraman 2010).

Investigating the phenomenon of cultural shock based on one type of missionaries, Oberg (1960) found that four stages of cultural change exist: An early honeymoon stage, a subsequent rejection stage, a following tolerance stage and lastly an integration stage. Some people will move quickly through all four stages whereas others might not experience all four stages individually due to for example more thorough preparations and clearer expectations (Peñaloza 1989; Jun and Ball 1993; Peñaloza 1994). Even though those stages have been adapted to consumer behaviour studies on immigrants (Peñaloza 1994) it is of great interest to examine if and to what extent these stages apply to the unstudied group of young

German Au-Pairs. Further, it will be interesting to assess which coping strategies the participants use to counter issues such as homesickness in the rejection stage.

One well-cited study focussing on sojourners' cosmopolitanism explores how affluent working professional expatriates from various countries acculturate in Singapore. Thompson and Tambyah's (1999) participants were stationed at this location for a fixed period of time where they were included in special local cultural practices, events and rituals only when specifically invited by a member of the local community. Further, due to the transient nature of the visit and the time and effort commitment to their professional positions, it was nearly impossible to develop long-lasting friendships with locals and other expatriates based on shared histories of experiences. However, in order to be able to fully understand sojourners' consumer acculturation, it needs to be looked at the mundane everyday consumption which "refers to those activities which constitute the bulk of life – preparing meals, relaxing, or getting to work - [and which] occurs while and as an integral part of negotiating these daily life-tasks" (Kleine III, Schultz-Kleine and Kernan 1992). Investigating Au-Pairs who stay in a host family and who are regarded as an integral part of it will provide greater insights into the mundane everyday consumption of sojourners and thereby, extend knowledge on this type of acculturating group.

Lastly, an integral part to acculturating in a host country are consumer acculturation agents which have been defined as "those individuals or institutions who serve as sources of consumer information and/or models of consumption behaviour" (Peñaloza 1989). Peñaloza (1989) established four consumer acculturation agents: Family, peers or friends, traditional mass media (incl. popular TV, movies and music), and institutions such as churches and schools. Overall, as those four acculturation agents either relate to the home or host culture, those two represent the overarching two acculturation agents (Peñaloza 1989; Peñaloza 1994; Oswald 1999; Lindridge, Hogg et al. 2004). However, considering them as not all-encompassing, Askegaard et al. (2005) introduced a third acculturation agent called transnational consumer culture which they describe as "transnational set of cultural ideas and practices" (Askegaard, Arnould et al. 2005). As Au-Pairs in this study will belong to the computer-savvy Generation Y, the influence of social media, such as Facebook and

YouTube, as additional and increasingly important consumer acculturation agent will be investigated.

## CONCLUSION

Overall, this conceptual paper provides an overview of the literature on consumer acculturation and the aspects to be studied in this research. Only exploratory data has been gathered as of yet, however, by the time of the conference data collection in form of a longitudinal research design comprised of multiple semi-structured in-depth interviews with each participant will be well underway addressing the following three research questions:

1. Which coping strategies do sojourners employ when experiencing cultural shock in the host country?

2. How does sojourners' mundane everyday consumption change when temporarily shifting to the host country?

3. Does social media play an influential part in the consumer acculturation process of sojourners?

Evaluating interview data using thematic analysis with the above research questions in mind will allow the researcher to derive at a rich understanding of the phenomenon. The alleged knowledge will help extend the limited consumer behaviour research on the acculturating type of sojourners and will further provide insights into the unstudied group of Au-Pairs. Specifically, investigating the influence of social media websites and networks on (young) consumers' acculturation in the host country will provide useful insights for theory and practice. Adding them as contemporary acculturation agents will allow for a better understanding of consumer acculturation in today's digital world. Practical implications may include the increased utilisation of social media websites for Au-Pair or Work-and-Travel agencies, tourism operators and global recruitment companies.

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# Brand Perception and Gender Stereotype Products

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## ABSTRACT

Consumers often judge brands and companies using the warmth and competence dimensions. Our study demonstrates that subtle feminine (vs. masculine) primes included into the product's description increase perceived brand warmth which translates to a higher purchasing likelihood. Interestingly, this effect is especially profound for masculine products.

## INTRODUCTION

Consumers pay only 1.73 seconds of attention to print advertisements on average (Pieters and Wedel 2004). Hence, today's challenge for advertisers is to increase positive brand perception and assure consumers with increasingly low attention spans to buy their product. To achieve their goal, advertisers must find ways to convey the right brand image in a short time and with the restricted mental resources of the consumer. One potential solution is to utilize ´stereotypes´. Because people activate stereotypes in less than milliseconds; almost automatically (Bargh 1997), implementing stereotypes can ensure that consumers still process the advertising.

Recently, Aaker, Vohs and Mogilner (2010) studied organizational stereotypes and their effect on consumer's behaviour. They found that consumers stereotype firms on the basis of two fundamental dimensions: warmth and competence. Yet, they found that competence, rather than warmth, influences their purchasing behaviour. At the same time, warmth and competence were shown to be the underlying dimensions for most group stereotypes (Fiske, Cuddy, Glick, and Xu 2002) and underlie the content of gender stereotypes in particular. The stereotypical woman is viewed as warm, whereas men are stereotyped as competent (Eagly and Mladinic, 1994; Eagly, Mladinic, and Otto 1994).

This knowledge can be crucial in an attempt to enhance warmth versus competence in a consumer setting. That is because humans can activate gender stereotypical knowledge on the basis of cues associated to gender stereotypes (e.g. occupation, physical appearance, terms like "nurse" etc.; Banaji and Hardin 1996; Deaux and Lewis 1984). Subsequently, those cues could take the form of colours and symbols which are associated to a gender (Fagot, et al. 1997; Leinbach, Hort, and Fagot 1997). Consequently, those cues can be used to trigger the content of gender stereotypes to enhance the brand/product perceptions and, as a result, purchase likelihood.

The goal of this paper is to investigate whether utilizing gender stereotypes in the product description has an effect on the products' purchase likelihood. In particular, we test whether and how the activation of gender stereotypes influence a consumer's brand perception via the warmth and competence dimension and how this perception influences purchasing behaviour depending on a product's gender (Fugate and Phillips, 2010). To archive this goal we first, test the effect of gender primes on purchasing intention for masculine versus feminine typed products. Second, we investigate the role of warmth and competence as the mediator for purchasing likelihood.

**Study 1:** Consumers automatically and unconsciously assign a gender to most products (e.g. hair spray is considered to be feminine whereas coffee is perceived as masculine; (Fugate and Phillips 2010). In addition, a gender related stereotype can be activated via different cues in the product information description or in the advertising (e.g. Banaji and Hardi 1996). In study 1 we estimate the effect of (in)congruence between the perceived gender of the product category and the gender of the subtle cues in the product's description on the product's purchase likelihood.

*Study design*.
The study had a 2 (Gender typed product: masculine product versus feminine product) x 3 (Gender prime: masculine prime versus feminine prime versus non-prime) between-subjects design throughout 3 different product categories (Electronics, Beverages and Hair products) within-subject. The gender typed products were chosen on the basis of a pre-test. For the electronics product category a mobile phone (feminine) and a camcorder (masculine) were selected. The beverages category contains coffee (masculine) and chocolate drink (feminine) while the hair product category was represented by hair spray (feminine) and hair wax (masculine).

The gender primes were symbols and colours

which are identified as male-typed or as female-typed (Fagot et al. 1997; Leinbach et al. 1997). We used the following sets of gender primes: 1) colours (blue for masculine vs. pink for feminine); 2) animals symbols (bear for masculine vs. butterfly for feminine); 3) geometrical symbols (squares for masculine vs. circle for feminine). The neutral condition had no gender activating primes. The brand names in each product category were brand name root without any gender cues to ensure that the brand names are not associated with any gender (Yorkston and Mello 2005). The price of the corresponding products in each category was identical (e.g. the price of the coffee and the chocolate drink were the same).

The data was collected via online snowball sampling. The final sample had 204 respondents (110 female). Participants were randomly assigned to one of six fictitious advertisements showing the product, its brand name, assorted product information, and the product's price. Next, participants indicated their likelihood to purchase the product shown in the ad on a 7-point scale (1=not at all likely; 7=very likely). In addition they indicated to what extent they believe XXX-Brand is….?" warm, kind, generous (warm index; Cronbach´s alpha = .85) competent, effective, efficient (competent index, Cronbach´s alpha = .90; Aaker et al. 2010; Grandey et al., 2005; Judd et al., 2005) on a 7 point scale (1= not at all; 7= very much).

*Manipulation check product gender.*
Participants indicated how masculine/ feminine they perceived the products to be. In each product category the masculine product was rated significantly more masculine than the corresponding feminine equivalent on a 7-point-scale (1=definitely feminine; 7=definitely masculine) (beverages: $C_{chocolate}$= 2.94; $M_{coffee}$= 4.19, $t(203)$ =-12.468, $p$ = .00) (hair product: $M_{spray}$ = 1.88 $M_{wax}$ = 4.02, $t(203)$ =-14.738 , $p$ = .00) (electro: $M_{mobil}$ = 4.09 $M_{camcorder}$ = 4.73, $t(203)$ = -8.753, $p$ = .00).

## RESULTS

We conducted an ANOVA on purchase likelihood with product gender and gender primes as between-subjects factors throughout all product categories. We found a significant positive interaction effect between product gender and gender prime ($F(1,407)$ = 5.513, $p < .02$), suggesting that for masculine products a feminine prime actually enhances purchase likelihood and the same was true for feminine products with a masculine prime. The follow-up planned comparisons revealed

for the masculine product that feminine primes lead to a higher purchase likelihood than masculine primes ($t(605)$ = 2.326, $p = .02$) For the feminine products, masculine primes were not significantly higher compared to feminine primes ($t(605)$ = -1.041, $p > .05$). Graph 1 displays the mean values of purchasing likelihood. The main effects of product gender and gender prime were insignificant (both $p$s > .10), indicating, that, overall, respondents were not more likely to purchase feminine than masculine products and that the prime on its own did not have a significant effect on purchase likelihood. Thus, gender primes only increase purchase likelihood if it is incompatible with the product gender.
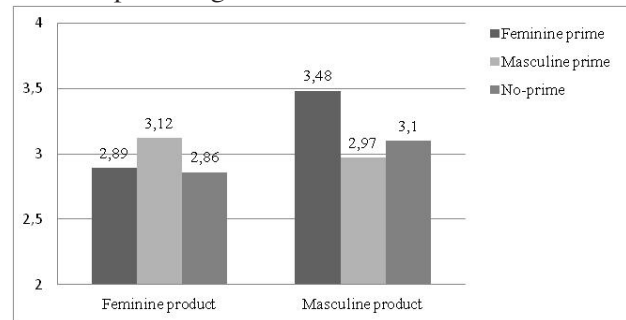


Graph 1: Means for purchase likelihood

To test the role of perceived warmth and competence of a brand we conducted two separate mediation analyses between gender primes and purchasing likelihood. The result of the mediation analysis (Zhao, Lynch Jr., and Chen 2010) indicates that the effect of gender primes on purchase likelihood is mediated by warmth. Namely, the indirect effect from the conducted bootstrap analysis is negative and significant (a x b = -.1415), with a 95% confidence interval excluding zero (-0.2819 to -0.0104). In the indirect path, the masculine prime decrease warmth by a = -0.2499, and holding constant the prime, a unit increases in warmth increases purchasing likelihood by 0.5663 (b = 0.5663). We conducted the same analysis for competence as the mediator and found it to be insignificant with a 95% confidence interval including 0 (-0.2549 to 0.0285). Therefore, the results suggest that the feminine primes enhance purchase likelihood via increasing the perceived warmth of the product. Interestingly, we do not find the same effect for the masculine primes. That is, masculine primes do not seem to enhance perceived either perceived warmth or competence.

To understand the influence of warmth and competence more thoroughly, we are currently planning further studies where we manipulate the

brands competence and warmth and add some gender primes.

## DISCUSSION AND MANAGERIAL IMPLICATIONS

The results of the study show that feminine primes enhance perceived warmth which promotes a higher likelihood to purchase masculine products. Interestingly, perceived warmth proves to serve as a mediator between prime and purchasing likelihood yet competence does not. Our study makes several contributions to the literature. First, despite the documented effects of both of those dimensions in a social setting (Casciaro and Lobo, 2008; Fiske et al. 2007; Fiske et al. 2002), little attention has been paid to them in consumer settings, a gap that this study aims to fill. Second, we directly address Aaker et al.´s (2010) call to investigate conditions, under which perceived warmth drives purchasing likelihood. Finally, we contribute to the stereotyping literature, by demonstrating that in addition to cues like role behaviours, occupation, and physical appearance (Deaux and Lewis 1984; Banaji and Hardin 1996), symbols and colours which are associated to a gender can trigger gender stereotype knowledge. From a practical viewpoint, our results provide important implications for companies and their marketplace decisions. Thus, companies that sell masculine products are able to utilize female advertising cues to increase their brands perception of warmth, which in turn, translates to a higher purchasing likelihood.

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# The Dark Side of Mobile Phones

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For many people their mobile phone has become the device by which they control and manage their relationships with others and author their self-image (Watt, 2003). It is more than a simple consumption device and more than a communication tool. The humble mobile phone enables social contact and the interpretation of meanings of self within those contacts. The mobile phone's emergence, incorporation and domestication of social practices and institutions has changed the way people communicate, when and how they communicate with others and the context for these communications (for example, Ito, Okabe and Matsuda, 2005).

Distance, space and time are no longer the barriers to communication they once were, consequently providing mobile phone users with a 'connectedness' that most previously did not possess (Roos, 2001, 10). As a result of such increased connectedness, the mobile phone has 'changed the nature of communication, affected identities and has considerable bearing on user's perceptions of themselves and their world (Plant, 2001, 23). That very connectivity is 'becoming central to what it means to have a social identity' and 'the idea of interconnectivity actually defines … culture' (Satchell and Singh, 2005, 1).

The focus of this research is on the meaning of mobile phones for informants, specifically in terms of attachment and the interpretation of identity from that attachment. As a basis for developing understanding of meaning of mobile phones we take a look at the mundane or everyday uses of this consumption device. Day-to-day interactions and relationships are explored as an indication of attachment, and through these uses and attachment, the possible 'dark side' of mobile phone consumption may be viewed. Thus, we ask what is the 'price' of the 'freedoms afforded by mobile technology' (James and Drennan, 2005, 87)? Connectivity is empowering but can it be overwhelming?

The dark side of mobile identity is a topic worthy of further study for two main reasons (Kopomaa, 1999; Hjorth, 2008). Firstly, much of the previous research on mobile phones has tended to focus on understanding the act of communicating from a technical perspective, for example, 'tasks and functions', rather than 'people and behaviors' (Kikin-Gil, 2006, 77). Secondly, there is an identified need for research into the negative impacts of increased connectivity, for example, the problem of managing a private emotional life via a device designed for public consumption (Vincent, 2006).

As we are working within the meaning-based tradition of research we adopted an interpretative approach (Corbin and Strauss, 2008). The primary data were derived from semi-structured depth interviews with 17 informants (12 female, 5 male, 12 Caucasian, 5 Asian and ranging in age from 21 to their mid-50's). Long interviews allowed access to informants' first-hand personal experiences and meanings associated with mobile phone ownership and use.

The analysis of interview findings reveals two principal themes relating to the dark side of mobile phone attachment, namely the problems arising from increased availability and connectivity, and the issues surrounding presence and co-presence. These two themes are not mutually exclusive, but intertwined and mutually reinforcing. They contribute to understanding of the attachment consumers have with a consumption object and the negative consequences of that attachment.

The mobile phone came to represent perpetual contact and permanent accessibility; but the consequence of the assurance of connections is the need for these connections to be ceaselessly renewed (Bauman, 2000). If the mobile phone is always turned on than the user is always turned on (Stald, 2008). Thus, the mobile phone represents a means of keeping us available to those that 'love us or need us', even though we may be 'apart…the mobile network will keep us in touch' (Taylor and Harper, 2003, 268). Since the mobile is always turned on the user, by corollary must also be always available 'with no or few communication and information-free moments' (Stald, 2008, 144).

Informants felt too available. The mobile phone permits regular if not constant intrusions into their lives, sometimes for mundane events and banal communication updates, and the use of impersonal or negatively charged communication where, perhaps, a better (conceivably more personal

or less emotionally charged) delivery method would have been more appropriate. Such communications included fighting via text, making repeated phone calls and inappropriate communications, such as while in different time zones or under the influence of alcohol. Overuse of constant communication could also result in higher-than-average phone bills which can cause stress and anxiety.

A second account of the dark side of mobile phone ownership and usage discussed by our informants related to the outcomes of always being connected to other people, for example, social, family and work groups or to complete strangers or crowds in general, namely, the difficult balance of presence and co-presence. The mobile phone provides a subjective sense of all others in a person's networks, even when separated from them by time or space, known as presence-in-absence (Howard, Kjeldskov, Skov, Garnæs and Grünberger, 2006), thus, 'the significance of the mobile phone lies in empowering people to engage in communication, which is at the same time free from the constraints of physical proximity and spatial immobility' (Geser, 2004, 3). Social presence offers the ability to be together, socially interacting, with another person physically located in another environment (IJsselsteinjin and Harper, 2001), physical presence is the sense of being located in mediated space (Witmer and Singer, 1996) and the interaction of the two is known as co-presence (IJsselsteinjin and Harper, 2001).

The mobile phone means informants could maintain both physical presence (with the group they are physically with) and social presence (interacting with others outside of the immediate physical group), being in between allowed them to be part of many different gatherings; simultaneously maintaining and concurrently engaging with both presence and co-presence. However, the dark side of such presence was the blurring of the lines between public and private spaces (Moisio, 2003; Monk, Carroll, Parker and Blythe, 2004; Hartmann, Rössler and Höflich, 2008) and the need to effectively engage with the people they were with as well as their other networks became increasingly difficult. There was always the possibility of each network interrupting the engagement with the other network and missing something important in one network while busy with another or resenting the intrusion of one network into the current, more attractive network. Such pressures resulted in the erecting of barriers by some informants, who sought boundaries between their mobile phones and the outside world in order to minimize the intrusiveness that such a high level of connectivity brought. The ease with which people could find them, be they friends, family or work colleagues was resented as an interruption to life, or the activities they were engaged in before the call or text arrived.

Perhaps, more startling were the justifications informants adopted to explain their mobile phone behaviors. Informants not only acknowledged such blurring, but commented upon it in terms of their own addictions or their understanding that perhaps their behavior could be seen to be bad or problematic. Given a choice, however, informants would explain away their behavior, such as justifying the need to remain in contact for emergencies or work, rather than suggesting they would or could change.

The research is important for four reasons. Firstly, it examines mobile phone usage from a people and behavioral perspective, rather than a tasks and functions one thereby adding to our knowledge of human-mobile phone interactions (Kikin-Gil, 2006). Secondly, by showing attachment to a lower-cost consumptive device we add to our understanding of consumer behavior. Thirdly, while past research has considered attachment theory and commitment theory there is not as much research on the costs of having possessions (Kleine and Baker, 2004) thus, this research adds to the understanding of the dark side of mobile phones. Finally, the informants are taken from a sample not limited to college or university students or young people or adolescents thereby differing it from other studies considering technology misuse or abuse (for example, Perry and Lee, 2007; Rosell, Sanchez-Carbonell, Jordana and Fargues, 2007; Beranuy, Oberst, Carbonell and Chamarro, 2009; Walsh, White and McD Young, 2010). Overall, these findings add to our understanding of experiential and addictive consumption.

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# What Makes Me Unhappy With My Family's Diet? An Examination Of Nutritional Gatekeepers' Attitudes, Capabilities And Behaviours

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The World Health Organisation describes the dramatic increase in obesity as 'an escalating epidemic' and as a 'blatantly visible' but somewhat neglected public health problem (Batch and Baur 2005). As Pal et al (2003) point out, over half of all Australians are classified as overweight or obese and this is increasing by 1% of the population per year. As Pal et al (2003) further note, obesity is linked with a range of health ailments including type-2 diabetes, heart disease and some cancers. Various explanations for the "obesity epidemic" have been advanced (Wisman and Capehart 2010), the most popular being the energy balance model: the increasing use of modern technology, resulting in decreased energy expenditure, combined with easily available high energy density foods; the "obesogenic environment" (Swinburn et al 1999). Certainly, genetic influences alone cannot explain the upward trend in overweight and obesity (Kirk et al 2010; Wardle et al 2008; 87: 398–404.) and there is much evidence that environmental factors influence food-related behaviours (e.g. Kamphuis et al 2006; Giskes et al 2007) However, our understanding of the ways these environmental settings influence obesity outcomes remains relatively underexplored (Kremers et al 2006; Proctor 2007).

One under-researched environment that appears to have a significant influence on both adult and childhood obesity is the home (Crawford et al 2006; Campbell et al 2007). Whilst research has often focused on food consumers, fewer studies have focused on the main household gatekeeper and the factors promote food variety, a healthy diet and indeed factors that make them less than satisfied with the healthiness of the diet consumed by their family (Inglis et al 2005; Sobel and Wansink 2007; Wansink 2003). In most families there is one person who acts as a nutritional gatekeeper. This person holds the main responsibility for purchasing and preparation of food in the household, influence what their families consider to be nutritious and appropriate to eat and are often the most important decision maker in the home (Pliner 2008; Wansink 2003; Campbell et al 2007).

In this study we utilize a cognitive model based largely on the Theory of Planned Behaviour (Ajzen 1991). The TPB has often been used as a theoretical framework to understand obesity and food related behaviours (Blanchard et al 2009; Bogers et al 2004). The theory proposes that the main determinant of any behaviour is the intention to perform that behaviour. This, in turn, is predicted by attitudes towards the behaviour, subjective norms and perceived behavioural control. In this analysis we do not seek to predict intentions per se but rather relate antecedents to intention with food acquisition behaviours, subsequent household healthy food variety and satisfaction with the healthiness of the household diet. We also add to the model a number of novel factors such as the gatekeeper's skills and capabilities in preparing and acquiring food and their level of nutrition knowledge. Studies have also shown BMI is a stable characteristic of individuals and often associated with food consumption (e.g. Ueland 2009; Worsley et al 2003 Giskes et al 2007) and this is also positioned as an antecedent.

BMI=> Gatekeeper attitudes and capabilities => food acquisition behaviors => family diet variety and satisfaction.

All items used to operationalize the framework were based on existing scales with known psychometric properties and were measured using seven point Likert scales. Scales for fruit and vegetable intake were drawn from Crawford et al (2007). Product information use, fresh food purchasing and shopping list use was based on Grunert, Brunsø, and Bisp (1993) whilst food purchasing impulsiveness was based on Ailawadi, Neslin, and Gedenk (2001) and TPB variables were based on Armitage and Conner (1999). The scales for food variety were based on The Healthy Eating Index (Krebs Smith et al). Cooking capability and nutritional knowledge and confidence were developed specifically for this study.

The data were obtained through an online quantitative survey of 323 gatekeepers. A qualified field house was employed to host the survey and to provide access to an Australian consumer panel. To qualify each participant was screened to ensure they were the main household food gatekeeper. Pre-testing with online consumers evaluated the suitability of the

questions for use, ability to complete the questionnaire, the timing of questionnaire completion, the working of the question skips, and initial scale reliabilities. The average completion time for the questionnaire was 19 minutes. The model was analysed using Smart-PLS (Ringle, Wende, and Will 2005).

The results from this analysis provide empirical support for understanding how gatekeeper attitudes and their food related capabilities e.g. nutrition knowledge and confidence and cooking capability influence the nature of food acquisition, and subsequently through food acquisition, the variety of foods consumed by the family and their satisfaction with family diet. The data further enables an understanding of the influence of BMI as an influencer of attitudes and capabilities.

The major findings are that the BMI of the gatekeeper was negatively related to their nutritional confidence and their perceived behavioural control with heavier respondents having less control over eating in their household and being less confident about their nutritional knowledge.

Several gatekeeper factors influenced food acquisition practices. Food attitudes of gatekeepers were positively related to impulsive purchasing, the more positive the attitude, the more likely were impulse purchases. Attitude was also positively related to choosing fresh rather than processed foods. Nutritional confidence was negatively related to impulse purchasing but positively related to fresh food choice and product information reading That is, gatekeepers who were confident about their nutritional knowledge reported being less likely to engage in impulse purchasing, more likely to prefer fresh products and more likely to read product information in order to try and make appropriate good choices. Cooking capability, gatekeepers' degree of perceived behavioural control and was also positively related to Freshness. That is respondents who believed they could cook well and felt they have control over family diet were more likely to purchase fresh products. Subjective norm or doing what is expected by others in the family was related to product information reading. Gatekeepers responded to family requirements by accessing information on labels to make appropriate food choices.

In turn, food acquisition factors were related to dietary satisfaction and dietary variety. It was found that propensity to purchase fresh rather than processed food was related to both a higher level of healthy dietary variety and with overall satisfaction with the healthiness of the family diet. Product information reading was positively linked to dietary satisfaction. Gatekeepers with higher impulsive food buying tendencies however had a lower overall level of family diet satisfaction. Finally, dietary variety was positively related to dietary satisfaction with gatekeepers providing diet with greater variety and higher levels of fruits and vegetables reporting higher levels of overall satisfaction with the family diet.

This research highlights a significant story of overweight gatekeepers and how lack of control over family eating and low degrees of nutritional confidence impact negatively dietary variety and satisfaction with family diet. The findings are important in several ways. Firstly nutritional gatekeepers who are overweight struggle more with having control over their families eating and are susceptible to greater influence from family members over what is purchased and eaten. Overweight gatekeepers also have less nutrition knowledge and may lack confidence in constructing healthy meals for the family. Secondly, nutritionally confident gatekeepers have a better food acquisition outcome with less impulsive food purchasing, increased fresh food purchasing and drawing on food product label information to make more informed choices. Third, those gatekeepers who have a better food acquisition process report improved healthy dietary variety and greater satisfaction with the healthiness of their families diet. The implications for improving family dietary variety in relation to healthy foods are that more resources should be targeted towards home economics related interventions and education with an emphasis on improving nutrition knowledge and cooking capabilities; by doing so impacting attitudes to healthy eating, the ability to exert some increased control over the diets of the family and improving food acquisition processes. Education of gatekeepers can also be supported through the development and improvement in mechanisms that support healthy food acquisition and reduce impulsiveness such as phone apps, meal and shopping plans, and food healthiness indicators e.g. traffic lights or star systems for foods.

Whilst findings from this study may offer useful implications for improvements in healthy household eating, and thus the prevention of overweight and obesity in households, we acknowledge several limitations in the study and offer possible directions for future research. Firstly we have cross-sectional data and it would be useful to track a cohort of families over a period of time to

improve our understanding gatekeeper capabilities and outcomes Secondly our data is self reported, and whilst there are several studies that show good correlations between self-reported and objective measurement of food intake it would be useful to have a more comprehensive measure of family food intake and meal preparation. Finally, it is often useful hear the voice of the respondent and the addition of qualitative insights to add context to findings would be beneficial.

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# Understanding Parental Mediation of Children's Interaction with Online Advertising

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## ABSTRACT

Conducting a survey with 380 parents of children aged 9-12 in South Korea, this study investigated how various parent factors (parenting styles, family communication patterns, and parents' attitude toward the Internet) are associated with the way parents supervise and educate children's interaction with online advertising.

## BACKGROUND

Children's prevalent use of the Internet has led advertisers to actively utilize this medium (Buckleiner, Warren, and Mediatech Foundation 2008; Calvert 2008; Tufte and Rasmunssen 2010). Online advertising practices targeting children, however, have raised various concerns, including the excessive amount of time and money children spend on commercial websites, marketers' invasion of children's privacy, and children's ability to recognize commercial content (Mallinckrodt and Mazerski 2007; Lwin, Stanaland, and Miyazaki 2008; Neeley 2007; Youn 2008). This has placed greater responsibility on parents to actively supervise children's exposure to online advertising (Lwin et al. 2008; Youn 2008). Consequently, interest in parental mediation practices in this new media context has been heightened (Miyazaki, Stanaland, and Lwin 2009; Neeley 2007).

However, most existing research has focused on parental mediation of children's exposure to television, and research related to new media has been limited (Eastin, Greenberg, and Hofschire 2006; Shin and Huh 2011). Especially lacking is research on parental mediation of children's exposure and response to online advertising. In an attempt to fill the gap, the present study examined the nature of parental mediation in this new media context. Specifically, this study explored how various parent factors are associated with different forms of parental mediation. Two general parental mediation approaches were examined—restrictive mediation and active mediation. Restrictive mediation involves parents' setting rules to control children's media usage in terms of appropriate media content and the total amount of media exposure permitted. Active mediation refers to parents' explaining and discussing the undesirable aspects of media contents and appropriate media consumption behaviors (Lwin et al. 2008; Valkenburg et al. 1999; Youn 2008). Considering that parents do not necessarily employ only one type of parental mediation (Lwin et al. 2008), this study adopted Lwin et al.'s (2008) approach that categorizes parents into four groups based on parental mediation types (restrictive and active) and levels (high and low): Selective (those high on both restrictive and active mediation), Regulative (high on restrictive and low on active), Promotive (high on active and low on restrictive), and Laissez Faire (low on both restrictive and active mediation).

The four parental mediation groups were then examined in terms of parenting styles, family communication patterns (FCP), and parents' attitude toward the Internet. Parenting style refers to parents' general and pervasive socialization tendencies (Darling and Steinberg 1993). FCP reflects the quality and types of communication between children and parents about consumption-related issues (Bakir, Rose, and Shoham 2006; Fujioka and Austin 2002). Research on more traditional media has found that demanding parents with a socio-oriented FCP (i.e., emphasizing child's deference to parental authority) are more likely to be involved in restrictive mediation, whereas responsive parents pursuing a concept-oriented FCP (i.e., stressing open communication between a parent and a child) are more likely to prefer active mediation (Carlson and Grossbart 1988; Carlson, Grossbart, and Walsh 1990; Fujioka and Austin 2002). Research has also revealed that parents with negative attitudes toward media are more likely to be engaged in parental mediation (Nathanson 2001; Nikken and Jansz 2006; Warren, Gerke, and Kelly 2002). However, most research has focused on parental mediation in the television context. In addition, most research has examined different types of parental mediation separately (e.g., active vs. restrictive), while combined forms of parental mediation (e.g., active + restrictive) have been examined in just a few rare instances (e.g., Lwin et al. 2008; Miyazaki et al. 2009).

## METHODS

The objective of this study is to investigate how three types of parent factors (parenting style, FCP, and attitude toward the Internet) are associated with different forms of parental mediation (Selective, Regulative, Promotive, and Laissez Faire) in an online advertising context. A survey of parents of children aged 9-12 (4th – 6th graders) in South Korea was conducted to test for these relationships. Almost all children of this age range (99%) use the Internet in South Korea and they are increasingly targeted by various forms of online advertising (National Internet Development Agency of Korea 2009). At the same time, children of this age range are young enough to be substantially affected by parents in regard to consumer socialization (Maccoby 2007).

Parents were recruited from 14 classes at 6 elementary schools in 5 cities in South Korea to provide a wide diversity in respondents. Survey questionnaires were distributed in class and each child in participating classes was asked to deliver a questionnaire to the parent or primary caregiver who spent the most time with him/her. A total of 445 questionnaires were sent and 380 usable questionnaires were returned, resulting in a response rate of 85.4%.

Parental mediation was measured with items assessing restrictive (e.g., "I limit the amount of time that my child can stay on commercial websites") and active mediation (e.g., "I tell my child that advertising on the Internet does not always tell the truth") of children's interaction with online advertising. Parents were asked to rate how often they applied each of the listed parental mediation strategies, anchored on "never" (1) to "always" (5). Four parental mediation groups were created based on the mean scores for each type of parental mediation: Those who reported using a specific mediate strategy to control their children's interaction with online advertising "sometimes" or more often ($M \geq 3$) were classified as high, while those who reported using a specific mediation strategy less than "sometimes" ($M < 3$) were categorized as low. Placement on active and restrictive mediation was then crossed to produce the four groups: Selective ($n = 125$), Regulative ($n = 139$), Promotive ($n = 18$), and Laissez Faire ($n = 72$). Due to small $n$, Promotives were excluded from data analysis.

Two types of parenting styles (demanding and responsive), two types of FCP (concept-oriented and socio-oriented), and parents' attitude toward the Internet were also assessed, using the Parenting Style Index (Steinberg et al. 1994), FCP scales (Moschis, Moore, and Smith 1984), and scales adopted from Internet attitude research (Moon and Kim 2001; Yang 2004), respectively.

## KEY FINDINGS

Selective parents (high on both restrictive and active mediation) scored greater than other types of parents on responsive parenting style, concept-oriented FCP, and attitude toward the Internet. Laissez-faire parents (low on both restrictive and active mediation) were found to be neither demanding nor responsive compared to other types of parents. They were also less likely to be engaged in any types of family communication. It suggests that parents who were low in both types of parental mediation of online advertising were also typically uninvolved in other forms of interaction with their children.

Regulative parents (high on restrictive and low on active) were more demanding and more socio-oriented than Laissez-faire parents, but they were less responsive and concept-oriented when compared to Selective parents. Regulatives tended to have less positive attitude toward the Internet than Selective parents did.

## DISCUSSION

Our findings clearly indicate that parents' general and pervasive socialization tendencies (parenting style) and consumption-related communication styles (FCP) are important in explaining the way parents monitor and supervise children's interaction with online advertising. Demanding parents with socio-oriented FCP preferred restrictive mediation to conversation-oriented active mediation. Responsive parents with concept-oriented FCP were more likely than demanding and uninvolved parents to be involved in active mediation.

Responsive and concept-oriented parents were found to be engaged in both types of parental mediation. This seems to suggest that parents' active involvement in supervision and education regarding children's interaction with online advertising are largely motivated by parents' recognition of the child's individuality rather than their pursuit to control or demand.

An interesting and unexpected finding is that parents employing both restrictive and active mediation tended to have more positive attitude toward the Internet compared to other types of parents. We speculate that parents' positive attitude toward

the Internet, possibly built upon their accumulated Internet experience and clearer understanding of the Internet, make them more confident and proactive about employing multiple methods of parental mediation.

This study has several limitations. First, it was conducted in one country with parents of a narrow age range of children (4th-6th graders). Thus, the results may not be generalized to other contexts. Second, we focused on parent factors only. However, some "child factors" such as children's Internet use behaviors observed or perceived by parents may also play an important role in determining the levels and types of parental mediation and these should be examined in future work. Third, due to the small sub-sample size, Promotive parents were not examined. Despite the limitations, this study's findings offer useful knowledge about parents' involvement in children's interaction with online advertising and contribute to building research literature on parental mediation. It also expands our understanding of parents, the primary socialization agents in children's consumer socialization, in the changing media environment.

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# Cultural Lipstick: Cultural Identity Adventures in Embodied Consumption Practice with the Exotic Other

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## SHORT ABSTRACT

This research explores the experiences of women from different cultural backgrounds currently residing in New Zealand and how they make sense of cosmetic practice in a changing cultural context. This acculturation study gives insight into experiences with the culturally different other using Holt's (1995) practice theory to make sense of changing 'integrated' consumption practices.

## EXTENDED ABSTRACT

This research uses the context of cosmetics to gain insight into female cultural identity and enculturation processes. Thus, we see cosmetic practices as embodied, reflecting socialisation processes that work directly on the body. These practices are shaped by one's cultural identity and 'learned' from friends and immediate family; consequently cosmetic's use and associated meanings are commonly culturally bound, enduring and require time and effort to change (Scott 2005).

We focus on the experience of young women from different cultural backgrounds and how they make sense of an embodied consumption practice in a changing cultural context. This acculturation study gives insight into experiences with the culturally different other using Holt's (1995) practice theory to make sense of changing 'integrated' consumption practices.

The cultural groups under study were; Japanese, French, Samoan who are currently residing within New Zealand. These groups were chosen due to their ability to represent a wide spectrum of cultural values, enabling the researchers to explore and compare cultures that are significantly different to each other but share an insight into cosmetics culture of New Zealand. Thus giving a three way perspective on encounters with an exotic cultural Other.

The role of the exotic Other is largely unexplored in enculturation research with regard to embodied consumption practice When the self is challenged by unfamiliar cultural cues at a foreign destination, embodied cultural practices can become an anchor that reminds the travelers of who they really are and a way of reestablishing familiarity and daily routines. This work gives a three way perspective on

these encounters and insight into the sense making process.

A two armed research design was selected where participants could chose to participate in either a focus group, or a qualitative diary study with a follow up in-depth interview. Qualitative diaries, without any pre-described template facilitate the capture of rich narrative style descriptions of how and why the topic under study is experienced (Belk et al. 2003; Bolger et al. 2003; Patterson 2005). The post diary follow up in-depth interview enabled the researchers to clarify areas of interest from the participant's diary, allowing for further reflection, greater insight and understanding, and expansion of ideas in relation to the participant's cosmetics behaviour (Carson et al. 2001). Participants were asked to keep the diaries for approximately one week, before being given back to the researchers. The focus group was designed to explore participants' perceptions and clarify their views on cosmetics use both personally and as a cultural group. The majority of the Samoan students indicated that they felt more comfortable participating in a focus group.

Using Holt's (1995) practice theory as a framework to consider the contribution of this research, the findings of the research demonstrate the *integration* of cosmetic practice into a constitutive element of their identity. The understanding of cosmetic practice is strongly driven by their home countries values regarding the interplay between the ideal of beauty and the consumption of makeup. However this research does demonstrate that cosmetic practice is embodied but not fixed, when crossing cultural boundaries embodied consumption practices can become playful or rebellious according to the desired identity.

Informants were comprehensible on cultural difference in cosmetic behaviour and able to articulate it clearly in rich and detailed self reports (Schwarz 2003), this would suggest that we could build on from our current understanding of culture as a framework for action and understanding so we can operate in a manner that is acceptable to other members of society (Holt 1994); towards an understanding of how consumer negotiate their home cultural values when immersed in another culture. This sample seem

able to recognise cultural cosmetic behaviour as per the understanding above but are then able to negotiate a new cultural value framework for themselves that allows them to have very different cosmetic behaviour in New Zealand than in their own country whilst still retaining and recognising their existing one. In other words, their cosmetic cultural behaviour is flexible and does not seem to be tied closely to their cultural values framework. This finding is surprising given the literature's emphasis on how essential to 'self' cosmetic practice can be. This finding suggests that even though cosmetic use is continuous, the method and application of these products and attached meaning is not static but dynamic and constantly renegotiated. They can give detailed accounts of their home cultural value framework regarding cosmetic behaviour but don't feel that they have to follow it when in another country. This is particularly clear in the Japanese sample that identify core underpinning cultural values relating to cosmetics but then recognise that they are able to have and feel comfortable with different behaviour in New Zealand.

The second contribution of this research is the practice of classification in enculturation practices. According to Holt (1995), consuming as *classification* consists of processes in which consumers use objects to classify themselves in relation to relevant others (Holt 1995, 10). This research demonstrates classificationof the culturally different Other's cosmetic practice as a way of creating a distance from the Other. The notion of studying in a different country for an extended period of time would logically be linked to embracing otherness. There is an implicit theme in several comments that suggest home based values regarding cosmetic practices, are perceived as most desirable and consumer strongly recognise their sense of 'otherness'. There is recognition that New Zealand cosmetic practice is perceived to be inferior. Generally negative comments were made about perceptions of New Zealand cosmetic practice, or New Zealand women who were considered to be unattractive in the way they applied makeup and less sophisticated when compared to their home culture (Japan and France) or more liberal (Samoa). This research shows a linkage of cultural values associated with embodied cosmetic practice to moral values as a means of negotiation cultural difference. Assumptions were made about how cosmetic practice impacted on appearance and hence the type of moral values held by the exotic Other classifying them as "skanks or sinners". This classification system would

seem to be a coping strategy for negotiation of cultural difference.

## INTRODUCTION

The use of cosmetics is central to the self presentation of many women (Rudd 1997). Indeed, cosmetic application consumes much time, effort and financial outlay for many women across the world. Figuratively and economically the cosmetics industry has enormous global worth (Hussain & Yamagucchi 2006, SundaraRajan 2007). This research uses the context of cosmetics to gain insight into female cultural identity and enculturation processes. Thus, we see cosmetic practices as embodied, reflecting socialisation processes that work directly on the body. These embodied practices are shaped by one's cultural identity and 'learned' from friends and immediate family; consequently cosmetic's use and associated meanings are commonly culturally bound, enduring and require time and effort to change (Scott 2005).

This research focuses on the experience of young women from different cultural backgrounds who are currently residing in New Zealand and how they make sense of an embodied consumption practice in a changing cultural context. This acculturation study gives insight into experiences with the culturally different other using Holt's (1995) practice theory to make sense of changing 'integrated' consumption practices.

## LITERATURE

A CCT definition of acculturation involves consumer socialisation processes (a re-socialisation process) during long-term mobility or relocation to a foreign country (Peñaloza 1994). As Bardhi, Ostberg and Bengtsson (2010) so succinctly summarise, prior research in consumer acculturation has identified consumption as an important medium for negotiating identity boundary crossing. The existing research on boundary crossing in acculturation has mainly considered consumer identity work, "with particular focus on the way that identity formation expresses dominant and minority cultures" (Ustuner and Holt 2007 42). According to Bardhi, Ostberg and Bengtsson (2010 135) (135) acculturation studies have mostly concerned bicultural consumers creating hybrid identities, such as Haitian immigrants in the US (Oswald 1999), Greenlandic immigrants in Denmark (Askegaard et al. 2005), East Asian immigrants in the UK (Lindridge et al. 2004), and Turkish immigrants in Denmark (Ger and Ostergaard 1998). These are singular focus consumer acculturation studies that

examine movement and adaptation of consumers from one culture into another, where consumers use processes such as resisting, assimilating, acculturating or segmenting to create cultural identity positions (Askegaard et al. 2005; Penaloza 1994).

This work uses a practice framework (Holt 1995) to understand the enculturation processes of three different groups (Japanese, French and Pacific Island) to New Zealand for a medium term relocation (one to three year duration). Thus giving a three way perspective on encounters with an exotic cultural Other.

Prior research suggests that embodied consumption is about being unique which in our current consumer culture mean symbols from the market place are increasingly used as components in identity construction (Bengtsson, Ostberg, and Kjeldgaard 2005). This is a fundamental aspect of our sense of self-identity (Fischler1988) which is commensurate with the common claim from many women that they cannot leave home without the application of cosmetics. However, it is never just about making ourselves pretty, as several studies exploring cosmetics use amongst women have identified, they are a major contributor to the way a women constructs a sense of self in various situations and roles (Fabricant & Gould 1993; Rook & Levy 1983; Schouten 1991). Similar to Bardhi, Ostberg and Bengtsson (2010, 134) when seeking to explore food consumption, which cannot be understood fully from the sole perspective of sustenance; the symbolic properties of food must be considered. Likewise the symbolic aspects of cosmetic practice must be considered. This research yields insights about the role of cosmetics as a feminine embodied cultural resource in the acculturation process and encounters with the cultural Other.

This research recognises the global availability of cosmetic such as mascara, eye shadow and foundation which can be used in different functional ways by different cultural groups to create desired effects (Ashikari 2005; Schaninger et al. 1985; Wallendorf & Nelson 1986). We see cosmetics as a cultural resource which can be used as identity building blocks and then *integrated* into a consumer's embodied cultural identity and subsequently the process of relocation to New Zealand where consumers encounter an exotic other, provides a context that gives rich insight into the negotiation of different embodied cultural practice with the same identity building blocks but from different cultural perspectives.

Using Holt's (1995) consumption practice theory as a framework to give insight into this embodied practice, cosmetic practice constitutes consuming as *integration* which represents the methods used by consumers to enhance the perception that a valued consumption object is a constitutive element of their identity (Holt 1995 6) as opposed to the other forms of practice, *experience*, *play* and *classification*. Fabricant & Gould (1993), Rock & Levy (1983) and Rudd (1997) identified that cosmetics were used as a way to promote, define and even create various selves or multiple roles that a woman plays in her life. In all three studies, cosmetic use was *integrated* into the identity creation process and projected various different concepts of themselves. Interestingly, even very generalized aspects of cosmetics use such as putting on mascara and foundation helped to construct, symbolize and reflect the identity of a range of possible selves, such as real versus artificial self, day vs. night, work vs. fun and feminist vs. modernist, among others. Rook & Levy (1983) found a transformative element in these embodied practices that created a dramatic personality change, such as from the tired and withdrawn me, to the energetic and outgoing me.

Holt (1995) describes consumption practice as the "social action in which consumers make sense of consumption objects" (Holt 1995, 1). The *integration* of cosmetic practice into a constitutive element of their identity is the most appropriate element of practice theory to understand embodied consumption processes; however *experience* and *classification* are relevant element of practice theory to explore enculturation practices. According to Holt (1995, 3), consuming as *experience* involves the ways consumers make sense and respond to a consumption context and c*lassification* consists of processes in which consumers use objects to classify themselves in relation to relevant others (Holt 1995, 10). The process of enculturation normally encompasses both of these practices.

Although global mobility is viewed as a worldly practice, enculturation can incorporate an element of cultural elitism and consequently a disparaging attitude can be formed towards local culture despite valuing and wanting to gain authentic experiences. Rojeck and Urry (1997) understand this phenomenon as a perception of superiority of home culture. Thus explaining the extensive efforts these mobile consumers go through to secure familiar,

"home" items as an identity anchoring mechanism to their home country (Gilly 1995; Thompson and Tambyah 1999). Cosmetic practice is embodied and not able to be purchased as an identity securing mechanism in the same manner. Hence this research will reveal the importance of the culturally different Other in enculturation processes as home cosmetic practice is *classified* against exotic Other practices in a three way comparison.

In summary, the role of the exotic Other is largely unexplored in enculturation research with embodied consumption practice When the self is challenged by unfamiliar cultural cues at a foreign destination, embodied cultural practices can become an anchor that reminds the travelers of who they really are and a way of reestablishing familiarity and daily routines. This work uses a practice framework (Holt 1995) to understand the enculturation processes of three different groups (Japanese, French and Pacific Island) to New Zealand giving a three way perspective on encounters with an exotic cultural Other.

Methodology
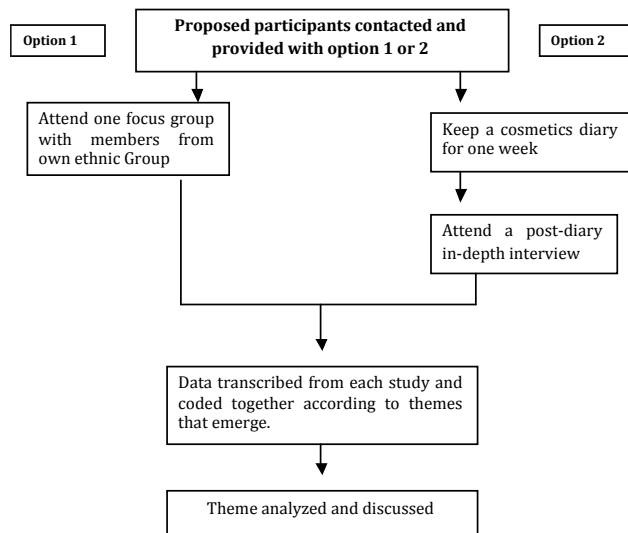


A cross cultural research strategy requires sensitivity to socio-cultural differences that exist between cultures, while ensuring results achieved the aims of insight and understanding aligned with qualitative methods. Thus a two armed research design was selected where participants could chose to participate in either a focus group, or a qualitative diary study with a follow up in-depth interview. This research design provided the best possible insight into each of the cultural groups under study and as recommended by Craig & Douglas (2005) whilst providing valid and reliable data commensurate with the research question (See Figure 1).

Qualitative diaries, without any pre-described template facilitate the capture of rich narrative style descriptions of how and why the topic under study is experienced (Belk et al. 2003; Bolger et al. 2003; Patterson 2005). The second stage of the diary study was a post diary follow up in-depth interview. This enabled the researchers to clarify areas of interest from the participant's diary, allowing for further reflection, greater insight and understanding, and expansion of ideas in relation to the participant's cosmetics behaviour (Carson et al. 2001). This method was piloted to ensure the diary study instructions provided to the participants generated the desired data; inform the diary study instruction sheet and allow the researchers to gain insight into the best way to conduct the follow up interviews. Participants were asked to keep the diaries for approximately one week, before being given back to the researchers who then used the diaries as a base for the questions created for follow up interviews. The follow up interviews were held approximately two weeks after diary completion.

The focus group was designed to explore participants' perceptions and clarify their views on cosmetics use both personally and as a cultural group. The majority of the Samoan students indicated that they felt more comfortable participating in a focus group, except for one who preferred to participate in the diary study. The focus group consisted of nine participants all of whom identified themselves as being Samoan.

A convenience sample was chosen from students at the University of Otago in Dunedin, New Zealand. The student structure at this University is diverse and multi cultural and offered an opportunity to investigate a sample of 18–29 year old International students who have experienced two cultures, their country of origin and their temporary residential location of 1–3 years in New Zealand. The research method focused on insights gained from their resultant enculturation experience with regard to their embodied cosmetic practice and the role of the culturally different Other in that experience. This research gives informants an opportunity to self report on their enculturation experiences thus allowing full expression to perceptions gathered during that time (Schwarz 2003).

The participants were all female students currently enrolled across various years of study, and all had an active interest in cosmetics. Participants were recruited using a snowball technique and provided with a cosmetics goody bag on completion

*Figure 1 - Summarized Two Armed Research Design*

of the study as an incentive. Two New Zealand participants were also recruited and completed diaries to act as a baseline for insight in the cultural values related to cosmetic practice in New Zealand. Nine diaries were completed and followed up with an in-depth interview, with three Japanese, three French, two New Zealand and one Samoan. The number of participants recruited was stopped once it was considered a saturation point had been achieved.

## ANALYSIS AND EMERGENT THEMES

The data collected in the focus groups and interviews was transcribed and compared alongside the participants' diaries to enable a content analysis to be performed. A thematic analysis was appropriate to the exploratory nature of the research and the goal of generating rich insights into the participants' cosmetics behaviour. Themes were generated using emergent codes that were established following a thorough immersion in the data and extensive discussion during the coding process (Stemler 2001). There are a number of factors that were brought up across the samples as having a relevant influence on cosmetic practice

The following discussion explains how the participants view their cosmetic practice in a new environment and their perception of the cosmetic practice of the culturally different other (in this instance their perception of female New Zealander's cosmetic practice). It is important to stress that the terms themselves matter less than the relations which inter-define them (Floch 1988, 234). In other words, it is not crucial what definitional elements the informants used in differentiating between home culture and New Zealand culture. Instead, what is important is to look at how they made one classification meaningful in relation to the other, how the difference between embodied practices is viewed as significant and meaning can only be understood in relation to each other.

### Recognition of Cultural Differences in Cosmetics Behaviour

In order to gain insight into this topic, the discussion commences with insight into cosmetic practice within their home country and then the informant's perception of cosmetic practice within New Zealand and how this influences their behaviour. Each nationality is discussed in turn, Japanese, French, Samoan and then a New Zealand perspective is given to allow a more complete insight.

### Japanese integration of embodied cosmetic practice in home culture

For this Japanese sample, the concept of beauty was intrinsically linked to historical concepts and then to cosmetic practice, one was not achievable without the other. According to one informant, Japanese beauty is linked to specific cultural values such as neatness, cleanliness, politeness and consideration and the Japanese language has a unique word that embodies all these meanings.

*"The essence of beauty in Japan, for the ladies is really clean and polite and considerate. It's really old thinking, and some people I think don't agree with me, because the Japanese are becoming more international, but still I think in deep heart men think that females should be really traditional Japanese. We have a word called Yamatonadeshiko, and it describes the Japanese women. It's the beauty of the Japanese women* [she is] *Neat and clean. Clean and beautiful. That's the women."* [Japanese 2]

A sense of history is reflected as being influential in another young Japanese woman's sense of beauty.
*"I think in history rich people are always inside, so they have white skin. But poor people have to work outside and having a dark skin, so always in old pictures the pretty ladies have white skin. I think white skin looks more pure and clean, and I think that if people have dark skin they are really healthy and active person. But most people like white skin themselves."* [Japanese 3]

The same informant develops her theme to explain how this historical view on beauty feeds into the development of a 'natural' beauty concept facilitated by cosmetic practice.
*"First we have this spiritual thinking, we want to be more natural…I think that's why I think that way about makeup. Japanese actress on ads mostly, it depends on the target of course, but the way is fashionable or really natural. Like very artistic makeup, or very natural makeup – like you don't realize you are putting on any makeup – but oh!"* [Japanese 3]

### Japanese Experience in New Zealand

Despite the importance of cosmetic practice within their home culture this sample of Japanese young women found they were able to and felt comfortable following more 'relaxed' cosmetic practice regimes in New Zealand than in their home culture. When faced with the abundance of unfamiliar cultural

cues at a foreign destination, embodied consumption cosmetic practice can become an anchor to home, this was not the case for this sample it seems they did not need to be culturally anchored by embodied cosmetic practice to be reminded of who they are or a way of reestablishing familiarity and daily routines.

"How would you feel if you didn't wear any makeup during the day?" [Interviewer], *"I wouldn't be too worried about it in NZ." "Why?" "I don't know. I think I feel more comfortable whether I wear makeup or not, and it doesn't really affect me that much, the culture as well. People are more relaxed. Like in NZ I just wear makeup for fun, but in Japan I feel more obliged to wear it."* [Japanese 1]

This sample suggests that there is a perception of expectation that females wear cosmetics in Japan. However in New Zealand this perception was not felt. Hence cosmetic practices as a means of providing templates of accepted behaviors in a given culture meant that these young women felt comfortable adapting to their perception of New Zealand norms of cosmetic practice that required wearing much less cosmetics or even none. The template of much more relaxed behaviour meant that cosmetic practice moved from being an obligation to being fun.

**French integration of embodied cosmetic practice in home culture**
Similar to the Japanese sample, the French sample also saw cosmetic practice as deeply integrated within their sense of beauty as well as within themselves.

*"[Make up in France is] Sophisticated…they take a lot more attention to what they wear and how they act. And makeup is one part of this appearance."* [French 3]

There seemed to be agreement that fashion was a palpable culture within France.

*"Oh maybe in France, there is a long tradition of fashion. And it goes with that, in every shop you can find makeup and supermarkets and perfumery… it's in every magazine and there is always a new product, there is always something new and on TV there are always ads. You can't go without seeing an ad for it."* [French 1]

She further develops her theme to imply almost a necessity of cosmetic practice,

*"I think its extensive* [cosmetics use]*, we have to look good in France. Appearance is very important."* [French 1]

The inference here is that the situation is perceived differently than her experience in New Zealand

**French Experience in New Zealand and comparison against the Exotic Other**
Similar to the Japanese sample and despite the importance of cosmetic practice within their home culture, this sample felt comfortable following a more 'relaxed' cosmetic practice regimes in New Zealand than in their home culture.

*"In my everyday life [in New Zealand] I would wear less makeup [than in France]. Maybe more lipstick – because that is easy! And looks good."* [French 3]

However the French sample articulated a clear perception of New Zealand cosmetic practice.

*"…more girls look like skanks here* [New Zealand]*…they put on too much makeup and too short or bright clothes, and it doesn't really look good. Whereas in France you wouldn't see someone with a really short skirt or flash makeup unless she was really pretty."* [French 3]

This comment gives insight into the perception that it is not just the use of cosmetics (as implied by French 1) but the quantity of makeup used and the skill required to apply them in an appropriate manner, when these boundaries are crossed cosmetic practice can create a cheap appearance. This seems to contradict an earlier inference that less makeup is commonly worn in New Zealand. Therefore the authors interpret these comments as a coping strategy to negotiate the complexities of a changing embodied practice. As identified in the literature, a common strategy to negotiate cultural boundaries is a preference for home values and practices but this comment gives insight into the application of social judgment of the Exotic Other. So when faced with the abundance of unfamiliar cultural cues at a foreign destination, rather than retain home practice they feel a stronger urge to modify their cosmetic practice in line with New Zealand cosmetic practice, but to maintain their distance from the exotic Other by the application of negative social judgment.

**Samoan integration of embodied cosmetic practice in home culture**
It was recognised that cultural values dominant in Samoa were different from in New Zealand, and had a strong influence over a female's cosmetics behaviour. Mostly this theme seemed to extend from the influence of the church over a person's everyday life.

*"I reckon the Samoan culture is more strict, because they think we're humble, even though not all of us are humble! And religion and stuff I guess…if you wear makeup you are not humble?...they'd probably think you are a rebel and you go out and club all night and don't think about church or stuff. Most Samoans are really religious and their lives are based around the church."* [Samoan 1]

However it is likely that this is a Christian church and thus reflects a more Western post colonial perspective. Values that were taught at church also rebounded into family life, and it was recognised that most families, especially the older generation did not believe that cosmetics should be used every day.

*"Even plucking your eyebrows, you're a sinner if you do that."* [Focus group participant 3]

*"Yeah…it's not allowed back home* [wearing cosmetics]*"* [Focus group participant 5]

*"And shaving* [is not allowed]*"* [Focus group participant 7]

*"It's not every family and it's not as bad as it was before"* [Focus group participant 3]

*"And nail polish* [is not allowed].*"* [Focus group participant 7]

**Samoan Experience in New Zealand and comparison against the Exotic Other**

As could be expected this Samoan sample found they were wearing more make up when they were living in New Zealand than at home in Samoa.

*"Hmm I don't really feel I wear much makeup in normal everyday life but I do definitely wear more make whilst in New Zealand than back home."* [Focus group participant 2]

The implication is that wearing makeup is more 'showy' behaviour and viewed as the norm in New Zealand. Hence wearing more makeup is considered by this sample to be rebellious and only possible when away from the influence of church and family.

*New Zealand Sample*

This New Zealand sample was questioned regarding their perception of their cosmetic practice in comparison to their perception of the cosmetic practice of females from other countries.

*"I have to say…especially because I'm working with a lot of international people with my course, and just my line of work, I would say we are pretty natural….natural means not caking it on… 'cause I associate with a lot of American girls and a*

*lot of them just use hoards and hoards of makeup…'* [New Zealander 2]

*"We learn to live with the basics I reckon, or maybe it's just me just getting exposed to new makeups, just getting more educated. I think we're pretty, for instance, comparing us to Americans I think we're pretty clueless as to how to use it, and look good, well not good…but they've just learnt how to use it, and they've been exposed to all the brands and things, and for me…I'm just learning!"* [New Zealander 1]

These New Zealanders considered the international visitors as more sophisticated but the cultural distanced is maintained by the expressed preference for a more 'natural look'. These insights suggest that these New Zealanders are using a similar coping strategy to the French sample by recognising the difference in cosmetic practice when comparing with the Exotic Other and expressing a preference for home practice. The negative inference of 'caking it on' implies a preference for the 'natural New Zealand look".

## CONCLUSIONS

Using Holt's (1995) practice theory as a framework to consider the contribution of this research, the findings demonstrate the *integration* of cosmetic practice into a constitutive element of their identity. The understanding of cosmetic practice is strongly driven by their home countries values regarding the interplay between the ideal of beauty and the consumption of makeup. However this research does demonstrate that cosmetic practice is embodied but not fixed, when crossing cultural boundaries embodied consumption practices can become playful or rebellious according to the desired identity.

Informants were comprehensible on cultural difference in cosmetic behaviour and able to articulate it clearly in rich and detailed self reports (Schwarz 2003), this would suggest that we could build on from our current understanding of culture as a framework for action and understanding so we can operate in a manner that is acceptable to other members of society (Holt 1994); towards an understanding of how consumer negotiate their home cultural values when immersed in another culture. This sample seem able to recognise cultural cosmetic behaviour as per the understanding above but are then able to negotiate a new cultural value framework for themselves that allows them to have very different cosmetic behaviour in New Zealand than in their own country whilst still

retaining and recognising their existing one. In other words, their cosmetic cultural behaviour is flexible and does not seem to be tied closely to their cultural values framework. This finding is surprising given the literature's emphasis on how essential to 'self' cosmetic practice can be. This finding suggests that even though cosmetic use is continuous, the method and application of these products and attached meaning is not static but dynamic and constantly renegotiated. They can give detailed accounts of their home cultural value framework regarding cosmetic behaviour but don't feel that they have to follow it when in another country. This is particularly clear in the Japanese sample that identify core underpinning cultural values relating to cosmetics but then recognise that they are able to have and feel comfortable with different behaviour in New Zealand.

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# An Integrative Consumer Behavior Model Involving Domestic/Foreign Products: A Literature Review and Future Research Direction

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## ABSTRACT

This research is to (1) review the existing research findings with respect to the consumers' choice psychology and behavior trowards domestic and foreign products, (2) identify the key variables that affect the choice behavior, (3) assess and hypothesize the relationships among the variables, (4) develop a conceptual framework integrating all major findings, (5) propose research propositions, and (6) discuss conceptual and methodological issues for future research.

## ABSTRACT

Previous research shows that consumers' judgment, intention to purchase, and actual choice behavior involving domestic and foreign products can be determined by the country-of-origin (COO), consumer ethnocentrism, animosity toward other nations, halo, stereotyping, nationalism, patriotism, and global perspectives (worldliness), and demographics.

This research is to (1) review the existing research findings with respect to the consumers' choice psychology and behavior towards domestic and foreign products, (2) identify the key variables that affect the choice behavior, (3) assess and hypothesize the relationships among the variables, (4) develop a conceptual framework integrating all major findings, (5) propose research propositions, and (6) discuss conceptual and methodological issues for future research

The present study reviews the related literature and integrates all these variables that pertain to the foreign product evaluation and purchase behavior and proposes a conceptual framework that shows the interrelationships among the variables categorized in sequential steps of cognition, judgment, and behavior. The proposed model was developed based on the extensive literature review on the subject and the model shows that consumers' judgment of foreign products and domestic product affects consumers' intention to purchase foreign product and the actual purchase. The proposed model also shows consumers' judgment toward foreign product is affected by three key variables of country-of-origin (COO), consumer ethnocentrism, and animosity. The literature shows these variables also have the antecedents that include

halo, stereotyping, nationalism, patriotism, and worldliness.

121 articles were reviewed from reputable journals and sixteen articles were selected for the development of a conceptual model of consumer choice behavior involving domestic and foreign products. Detailed descriptions of the key studies are reported in Table 1. Table 1 shows the names of the authors and the year of the research publication, main hypotheses and study variables, sample characteristics, and key variable measurement scale. Business Source Premier of the EBSCO Host was utilized to search and select recent and relevant articles as of March 1, 2011. Table 2 shows a summary of sources of the 121 articles that were reviewed for the present study with a focus on the country-of-origin (COO), ethnocentrism, animosity, and culture relation, the four key study variables that pertain to the foreign/domestic product choice model.

Figure 1 represents a graphical illustration of the key variables adopted by the studies reported in Table 1 and the inter-relationships among the variables. Figure 1 combines the major sixteen findings denoted by T1 through T16 as described in Table 1

The present research proposes a new model (See Figure 2) that broadens the conceptual scope extending the current empirical findings and hypotheses regarding the relationships among the key variables involving domestic and foreign products to some possible linkages amenable to future research effort.

What makes this conceptual model unique relative to other existing conceptual models are: (1) this model represents a dynamic process model that shows three sequential steps of attitude formation that begins with cognitive, followed by judgment, and ends with outcome, (2) this model is a comprehensive model that integrates all the key relevant variables specifying proposed connections supported by previous research, (3) this model clearly distinguishes connections hypothesized only theoretically (see the dotted lines in Figure 2) and those tested empirically (see the solid lines in Figure 2), and (4) this model includes national culture and demographic variables as mediating relationship between key attitudinal

variables (ethnocentrism, animosity, COO) and behavioral outcome variables (e.g., judgment and intention). This research is the first attempt to integrate all the main findings to develop a comprehensive conceptual model that describes and explains how all major foreign/domestic product choice behavioral variables are interconnected based on an extensive review of the related studies.

All the hypothesized relationships depicted in Figure 2 are supported by the existing literature (See Table 1 and Figure 1).   Findings from the sixteen studies reported in Table 1 and specific relationships among the key variables shown in Figure 1 provide literature support for the propositions proposed in the following section.

Suggestions for future research are provided in the last section of the study. Conceptual and methodological issues were addressed, along with some managerial implications.

## INTRODUCTION

With advancement of globalization, no major developed country can escape from global economic crisis due to the rapid economic integrations among nations such as EU, NAFTA, and EU-Korean FTA.  The emergence and the rapid adoption of the social media (e.g., Facebook, tweeter) have created an advanced global communication platform and reconfigured the dynamics of new product adoption and diffusion worldwide.  The social media ferments an environment of cultural confluence and transcends boundaries through online networking.  Due to the evolution of this fluid social environment, what we know about the consumer choice behavior, especially in the area of domestic vs. foreign product choice behavior, need to be reassessed.

While current global recession tempted many affected nations to return to protectionism and nationalistic sentiments, many countries devalue their currencies to increase export to rebalance the trade account.  The government hopes to see that higher import price will encourage consumers to switch to domestic products, while maintaining the competitive edge of the prices in the global market. However, price differentials may not be the only reason why consumers switch from domestic to foreign products.  Previous research shows that consumer judgment, intention to purchase, and actual choice behavior involving domestic and foreign products can be determined by the Country-of-Origin (COO), consumer ethnocentrism, animosity

toward other nations, halo, stereotyping, nationalism, patriotism, and global perspectives (worldliness), and demographics.

One additional key variable that may affect the choice between domestic and foreign products may be national culture (e.g., collectivistic, uncertainty avoidance). Prior culture research primarily examined the impact of national culture on organizational behavior such as leadership and motivation, while the research on the linkage between national culture and final consumer behavior has been few (Lee et al. 2007).  Despite the paucity of the related research, national culture is believed to explain some variations in consumers' cognition, judgment, and behavior involving domestic and foreign product purchase. Given more recent attention to the importance of national culture as a major influence on consumer behavior, additional research examining this dynamic is necessary.

Despite the proposed importance of the key variables affecting the consumer psychology and behavior towards domestic and foreign product evaluation and purchase, our extensive review of the related research has revealed that there exists little effort to formulate a conceptual framework to study inter-relationships among these key variables. Existing studies involving these variables focused on an incomplete picture by examining a part of a whole, thus limiting internal validity, and focusing on only one or two nationalities, which limits the external validity of the findings.

A conceptual and complete framework that integrates all key variables affecting consumer behavior with domestic and foreign product choice can help us expand and redefine the context in which a choice decision is made between domestic and foreign products. For example, in the sales management field, the Walker, Churchill, and Ford model of salesperson performance provides a conceptual framework that provides a powerful diagnostic tool in identifying all key determinants (e.g., skill, aptitude, role perception) that interact to affect salesperson effort and performance. This conceptual model served as a springboard for numerous conceptual and empirical studies and also as a diagnostic tool for the identification of the causes of salesperson performance variations (Churchill et al. 1985). While key concepts that interact in tandem are researched in piecemeal, the alternative explanation of the phenomenon is systematically excluded, thus making most findings inconclusive and limited.

This research is to (1) review the existing research findings with respect to the consumers' choice psychology and behavior involving domestic and foreign products, (2) identify the key variables that affect the choice behavior, (3) assess and hypothesize the relationships among the variables, (4) develop a conceptual framework integrating all major findings, (5) propose research propositions, and (6) discuss conceptual and methodological issues for future research. In the process, the present research identifies the relationships, either theoretically conceptualized or empirically tested, among the key variables. The variables we identified based on a literature review and included in the proposed conceptual framework are categorized based on the extent to which how the consumer cognize, judge, and act in the course of choosing domestic product over foreign product. In that perspective, the proposed model is integrative and dynamic as well.

## LITERATURE REVIEW ON EXISTING STUDIES

Table 1 shows the names of the authors and the year of the research publication, main hypotheses and study variables, sample characteristics, and key variable measurement scale. Business Source Premier of the EBSCO Host was utilized to search and select recent and relevant articles as of March 1, 2011. Table 2 shows a summary of sources of the 121 articles that were reviewed for the present study with a focus on the Country-of-Origin (COO), ethnocentrism, animosity, and culture relation, the four key study variables that pertain to the foreign/domestic product choice model.

Studies that briefly discuss the variables or those that treat the variables as peripheral variables were excluded. Only those studies that focus on the four key variables as main construct of the study were selected. Articles that are outdated (1990 and before) were also excluded with a few exceptions. Sixteen articles were finally chosen for the present study (See Table 1 and Figure 1) and were used for the development of a conceptual model of consumer choice behavior involving domestic and foreign products (See Figure 2)

Figure 1 shows graphically the key variables adopted by the studies reported in Table 1 and the inter-relationships among the variables. Figure 1 combines the major sixteen findings denoted by T1 through T16 as described in Table 1. The solid lines in Figures 1 represent the empirically tested relationships, while the dotted lines represent hypothesized relationships in previous studies. Directions of the relationships are also represented by the directions of the arrows in Figure 1.

Previous findings as shown in Figure 1 suggest that Country of Origin (COO) affects product judgment of domestic and foreign product. Product judgment in turn affects intention to purchase foreign and domestic products that will lead to actual purchase if conditions are met. COO has a number of antecedents that include consumer ethnocentrism, product type, national culture, animosity, and mindset globalization. Consumer ethnocentrism itself has a number of key antecedents that include nationalism, patriotism, and worldliness. Animosity affects foreign product judgment and intention to purchase foreign products

We define COO as information pertaining to where a product is made (Chattalas, Kramer and Takada 2008). COO as a set of national stereotypes is product-specific, but consumers can depend on the national stereotype when they know little about the product. Therefore, COO, if not the same as the national stereotypes, can serve as a surrogate measure of the national stereotypes. National stereotypes are qualities perceived to be associated with a nation's people (Chattalas, Kramer and Takada 2008), while halo is the country image consumer use to infer the quality of unknown foreign brand (Han 1989)

Consumer ethnocentrism (CE) is a belief held by the consumers about appropriateness, indeed morality, of purchasing foreign-made products (Shimp and Sharma 1987). CE is measured by the Consumer Ethnocentrism Scale (CETSCALE). Shimp and Sharma (1987) argue that CE can explain why consumers prefer domestic over imported products. Nationalism encompasses views that one's country is superior and should be dominant and thus implies a denigration of other nations (Balabanis et al 2001), while patriotism refers to strong feelings of attachment and loyalty to one's own country without the corresponding hostility towards other nations (Balabanis et al 2001).

Consumer animosity represents a negative emotional attitude or antipathy toward a nation or a group (Klein et al 1998) and consumer animosity can help explain consumers' negative attitudes toward the products of a specific country and their reluctance to buy products from that country (Rose et al 2009).

More specifically, Figure 1 shows a collective research findings that suggest that Judgment of

*Table 1*
*A Summary of Key Related Research on*
*Domestic/Foreign Product Choice*

| | Main Hypotheses and Variables | Sample/Research Method |
|---|---|---|
| T1 Min(1989) | *Familiarity → (-) Halo (e.g. Country Image→Beliefs →Brand Attitude) (supported) <br> *Familiarity → (+) Summary (e.g. Beliefs→Country Image→Brand Attitude) (supported) <br> >Independent Variables: Type of Country (e.g. U.S., Japan, Korea), Type of Product (e.g. TV set, Automobiles) | *U.S. <br> *Data Amount: 116 <br> *7-Point Semantic Differential Scale |
| T2 Johansson & Douglas (1985) | *Halo Effect : True Attributes → (+) Perceptual Belief (Supported) <br> *Stereotypes : Country of Origin → (+) Evaluation of Attributes (Partially Supported) <br> *Familiarity → (+) Evaluation of Attributes (Partially Supported) <br> >Independent Variables; Type of Attributes (Overall Rate, Gas Mileage, Handling, Horsepower, Driving Comfort, Reliability in Evaluation Automobiles), National Origin(U.S., Japan, Germany) | *U.S., Japan (cars) <br> *Data Amount: 152 (70 U.S., 82 Japanese) <br> *Measurement: Simultaneous Equations Model |
| T3 Chattalas and Takada (2008) | *Perceived Competence / Warmth → (+) Evaluation of Products (Proposed) <br> * Perceived Competence → (+) Utilitarian Products (Proposed) <br> * Perceived Warmth → (+) Hedonic Products (Proposed) / High-Contact Services (Proposed) <br> * Perceived Competence → (+) Evaluations for Consumers High in Collectivism (Proposed) <br> *Perceived Competence → (+) Evaluations for Consumers High in Vertical Collectivism (Proposed) <br> *Perceived Warmth → (+) Evaluations for Consumers High in Vertical Individualism (Proposed) <br> >Moderating Variables; Expertise with a Country's Products, Consumer Involvement (Proposed) | *Theoretical Research |
| T4 Gürhan- Canli & Maheswaran (2000) | *In Individualist Cultures <br>    Superiority of Home Country Product → (+) Home Product Evaluations (Supported) <br>    Inferiority of Product → (x) Home and Foreign Product Evaluations (Supported) <br>    Superiority of Home Country Product → (+) Country of Origin- Related Thoughts (Supported) <br>    Inferiority of Product → (x) Country of Origin- Related Thoughts (Supported) <br> *In Collectivist Cultures <br>    Home Country Product → (+) Product Evaluations (Supported) <br>    Home Country Product → (+) Country of Origin- Related Thoughts (Supported) <br> >Independent Variables: Cultural Orientation (e.g., Individualism, Collectivism, Vertical, Horizontal), Country of Origin Information (e.g., U.S., Japan), Product Description (e.g., Superior/ Inferior) | *U.S., Japan <br> *Data Amount: 168 (86 U.S., 82 Japan) <br> *Measurement: Cultural Orientation (Singelis et. al.,1995), Ethnocentrism (CETSCALE) |
| T5 Prendergast et al. (2010) | *Country of Brand → (+) Purchase Intention (Not Supported) <br> *Country of Brand → (+) Purchase Intention of Consumer with Low Involvement (Supported) <br> *Country of Brand → (x) Purchase Intention of Consumer with High  Involvement (Supported) <br> >Independent Variables; Country of Brand(e.g. Japan, Korea), Product Attributes (e.g.  Operating System, Audio, Output of Computer) | *Hong Kong <br> *Data Amount: 168 <br> *Measurement: Advertising (Lee et al., 2005), Ten-Item PII (Personal Involvement, Zaichkowsky, 1994) |
| T6 Seidenfuss et al. (2010) | *Domestic Country of Assembly → (+) Evaluation of Product (Supported) <br> *Domestic Country of Brand → (+) Evaluation of Attribute (Not Supported) <br> *Extended Warranty → (+) Perceived Quality (Supported) <br> *Luxury Car Owner; <br>    Domestic Country of Assembly → (-) Evaluation of Product (Supported) <br>    Domestic Country of Brand → (+) Evaluation of Attribute (Not Supported) <br> *Country of Target → (x) Perceived Quality / Image (Supported) <br> >Independent Variables: Consumer Nationality(e.g. ASEAN - Thailand, Malaysia, Indonesia), Country of Assembly(e.g. ASEAN), Country of Brand(e.g. Japan, Germany), Warranty Levels(e.g. 3 years, 7 extended years), Model Category(e.g. Luxury, Non-Luxury car) | *Thailand, Malaysia, Indonesia <br> *Data Amount: 720 <br> *Measurement: Product Evaluation, COA, COC (Roth & Romeo, 1992, Agarwal & Sikri, 1996) |
| T7 Rose et al. (2009) | *Consumer Ethnocentrism → (+) Unwillingness to Buy Products Made in Certain Countries (Supported) <br> *Animosity → (-) Product Judgments of Products Made in Certain Countries (Partially Supported) <br> *Animosity → (+) Unwillingness to Buy Products Made in Certain Countries (Supported) <br> *Product Judgment → (-) Unwillingness to Buy Products (Partially Supported) <br> >Independent Variables: Type of Product (e.g., UK Product, Italy Product), Animosity (e.g., Arab Israelis, Jewish Israelis ) | *Israel <br> *Data Amount: 223 (112 Arab Israelis, 111 Jewish Israelis) <br> *Measurement: Consumer Ethnocentrism (Klein et al., 1998, CETSCALE), Animosity (Klein et al., 1998) |
| T8 Balabanis et al. (2001) | *Nationalism → (+) Consumer Ethnocentric Tendencies(CET) (Partially Supported) <br> *Patriotism → (+) Consumer Ethnocentric Tendencies (Partially Supported) <br> *Internationalist → (-) Consumer Ethnocentric Tendencies (Not Supported) <br> >Independent Variables: Demographics (e.g. Gender, Age, Education, Income) | *Turkey, Czech Republic <br> *Data Amount: 303Turkish, 480Czech <br> *Measurement: CET (CETSCALE), Patriotism/ Nationalism (Kosterman & Feshbach (1989)) |

| | | |
|---|---|---|
| T9 Dmitrovic et al. (2009) | *Consumer Ethnocentrism → (+) Domestic Purchase Behavior (Supported) <br> *Domestic Products Appraisal → (+) Purchase Behavior of Domestic Products (Supported) <br> *Consumer Ethnocentrism → (+) Domestic Product Appraisal (Supported) <br> *Worldliness → (-) Consumer Ethnocentrism (Supported) <br> *National Identification → (+) Consumer Ethnocentrism (Partially Supported) <br> *National Identification → (+) Domestic Product Appraisal (Partially Supported) | *Croatia, Serbia, Bosnia, Montenegro <br> *Data Amount: 1954 <br> *Measurement: Domestic Purchase Behavior(Granzin & Olsen, 1998), Ethnocentrism(CETSCALE), Domes-tic Product Appraisal (Klein et al., 2006), Worldliness(Huntington, 1993) |
| T10 Shimp & Sharma (1987) | *Ethnocentric Tendencies → (-) Beliefs toward Foreign-Made Products (Supported) <br> *Ethnocentric Tendencies → (-) Attitudes toward Foreign-Made Products (Supported) <br> *Ethnocentric Tendencies → (-) Purchase Intentions toward Foreign-Made Products (Supported) <br> *Ethnocentric Tendencies → (-) Behavior toward Foreign-Made Products (Supported) <br> * Ethnocentric Tendencies → (+) Intend to Purchase Domestic-Made Product (Supported) <br> >Independent Variables: Social Classes, Demographic (e.g. Age), Geographic | *U.S. (Car) <br> *Data Amount: 1535 for Four-Areas study, 2000+ for National Consumer Good Study, 145 for Crafted-with-Pride Study <br> *Measurement: CETSCALE |
| T11 Nguyen et. al. (2008) | *Consumer Ethnocentrism (CET) → (+) Intention to Purchase Local Products (Supported) <br> *Consumer Ethnocentrism → (-)Imported Product Judgment (IPJ) (Supported) <br> *Imported Product Judgment → (-) Intention to Purchase Local Products (LPI) (Supported) <br> *Cultural Sensitivity (CSE) → (+) Imported Product Judgment (Supported) <br> *Cultural Sensitivity → (-) Consumer Ethnocentrism (Not Supported) <br> >Moderating Variables: Type of Product (e.g. Motorbikes, Powdered Milk), Demographics (e.g. Gender, Education, Income, Age) | *Vietnam <br> *Data Amount: 549 <br> *Measurement: CET, IPJ (Klein et al. (1998)), CSE (Loo&Shiomi (1999)), LPI (Han (1988)) |
| T12 Hsu & Nien (2008) | *Ethnocentric Consumer → (+) Attitude towards Domestic Brands (Supported) <br> *Westernization → (-) Attitude towards Domestic Brands (Partially Supported) <br> >Independent variables: Westernization (e.g., Experience, Fashion, Global View, Event, Foreign Superiority, Media Contact), Demographics (e.g., Gender, Age, Marriage, Income, Education) | *China, Taiwan (Mobile Phone) <br> *Data Amount: 617 (336 in Taipei, 281 in Shanghai) <br> *Measurement: Ethnocentrism (CET SCALE), Westernization (Probit Model) |
| T13 Balabanis & Diamantopoulos (2004) | *Consumer Ethnocentrism (CE) → (+) Consumer Preferences for Domestic Products (Partially Supported) <br> *Consumer Ethnocentrism → (-) Consumer Preferences for Foreign Products (Partially Supported) <br> >Moderating Variables: Economic Competitiveness, Cultural Similarity to the Home Country <br> >Independent Variables: Countries (UK, US, France, Germany, Japan, Italy), Product Category (e.g., Cars, Food Products, TV Sets, Toiletries, Fashion Wear, Toys, DIY Tools, Furniture), Demographics (e.g., Gender, Age, Education, Income), | *U.S. <br> *Data Amount: 465 <br> *Measurement: CE(CETSCALE), Country's Competitiveness (CCI; Porter et. al., 2002), Cultural Similarity (CDI; Kogut & Singh, 1988, 4 Dimensions; Hofstede, 1980) |
| T14 Yoo & Donthu (2005) | *Collectivism → (+) Consumer Ethnocentrism (Supported) <br> *Masculinity → (+) Consumer Ethnocentrism (Supported) <br> *Uncertainty Avoidance → (+) Ethnocentrism (Supported) <br> *Power Distance → (+) Consumer Ethnocentrism (Not Supported) <br> *Long-Term Orientation → (-) Consumer Ethnocentrism (Supported) <br> *Consumer Ethnocentrism →(-) Intent to Purchase Foreign Products (Supported) <br> *Consumer Ethnocentrism → (-) Perceived Quality of Foreign Products (Supported) <br> *Perceived Quality of Foreign Products → (+) Purchase Intention of Foreign Products (Supported) <br> *Purchase Intention of Foreign Products → (+) Ownership of Foreign Products (Partially Supported) <br> >Independent Variables: Product Category (e.g. TV, Car, Stereo, Camera, Camcorder, VCR) | *U.S. <br> *Data Amount: 213 <br> *Measurement: Consumer Ethnocentrism , Import Buying Behavior (CET SCALE), Five Dimensions of Cultural Orientation (Yoo & Donthu, 2002), Perceived Quality, Purchase Intention, Ownership (Klein, 2002; Klein et al., 1998) |
| T15 Lee et al. (2007) | *Product Uncertainty (PU) → (-) Quality Judgments (Supported) <br> *Product Uncertainty (PU) → (-) Behavioral Intentions (Partially Supported) <br> * Uncertainty Avoidance (UA) → (-) Quality Judgments (Supported) <br> *Uncertainty Avoidance (UA) → (-) Behavioral Intentions (Supported) <br> >Moderating Variable: Product Uncertainty, Product Experience <br> >Independent Variables: Product Category (e.g. Shoe, Beer, Tea, Wine, Camera, Computer) | *Study 1; U.S. <br> *Data Amount: 224 (Foreign Students / 22 Different Countries) <br> *Study 2; Australia, Canada, China, France, Germany, Italy, Japan, Mexico, Spain, U.S. <br> *Data Amount: 13,319 <br> *Measurement: UA (Hofstede, 1980) |
| T16 Poon et al. (2010) | *Asian Migrants → (-) Ethnocentrism (Supported) <br> *Demographics → (+) Ethnocentrism (Supported) <br> *Non-Migrant; Ethnocentrism → (+) Attitude toward Domestic-Made Product (Supported) <br> >Independent Variables: Type of Consumer(e.g. Asian-Migrant, Western Migrant, Non-Migrant), Origin of Product(e.g. Australian Made, Non-Australian Made), Type of Product(e.g. Wine, Business Suits, Medicine, Computer, Television), Demographics(e.g. Gender(Male), Age, Number of Years Living in Australia) | *Australia <br> *Data Amount: 206 (63Asian Migrant, 35 Western Migrant, 108 Non-Migrant) <br> *Measurement: Ethnocentrism(CET SCALE) |

Table 2:
A Summary Statistics of the Database Search on the four key major variables: COO, Ethnocentrism Animosity, and Culture Relation

| | COO | Ethno-centrism | Animosity | Culture Relation | Sum |
|---|---|---|---|---|---|
| Journal of International Business Studies; JIBS | 9 | 2 | 0 | 5 | 16 |
| Journal of Marketing; JM | 1 | 0 | 1 | 1 | 3 |
| Journal of the Academy of Marketing Science; JAMS | 1 | 1 | 0 | 0 | 2 |
| Journal of Consumer Research; JCR | 3 | 0 | 0 | 2 | 5 |
| Journal of Consumer Marketing | 3 | 1 | 3 | 2 | 9 |
| Journal of Marketing Research; JMR | 3 | 2 | 1 | 3 | 9 |
| International Marketing Review | 3 | 3 | 0 | 2 | 8 |
| Journal of International Marketing | 1 | 4 | 1 | 1 | 7 |
| Others | 15 | 20 | 4 | 23 | 62 |
| Sum | 39 | 33 | 10 | 39 | 121 |

**Figure 1:** *Key Variables and Relationships Reported by Sixteen Studies (Table 1) on Domestic / Foreign Product Choice*
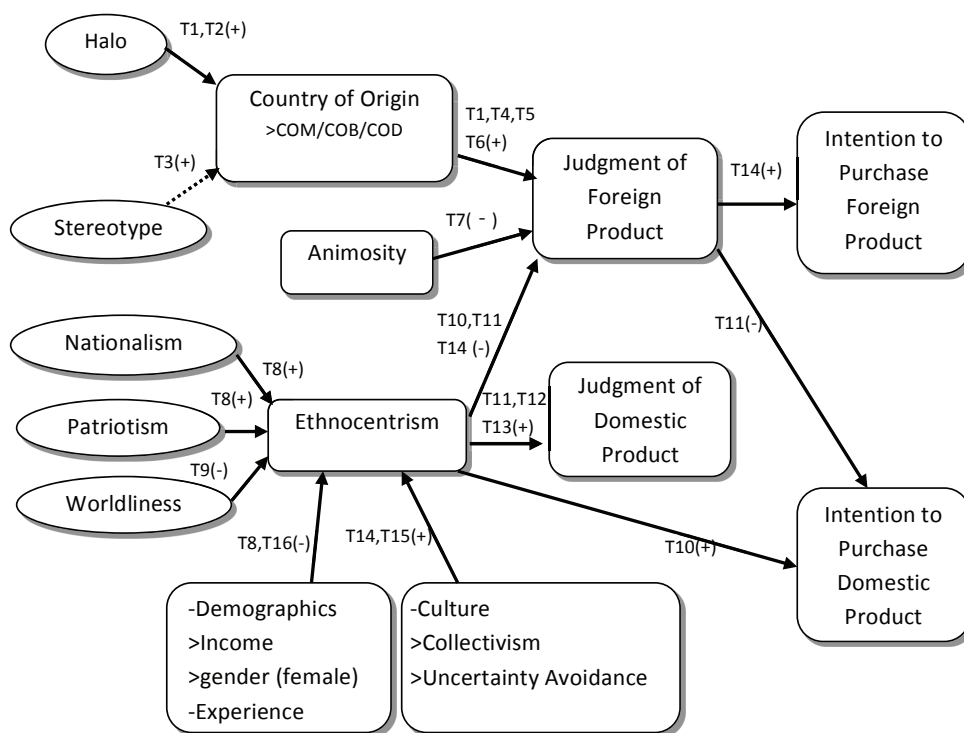
foreign products is affected by COO (+), animosity (-), ethnocentrism (-), while judgment of domestic product is affected by ethnocentrism (+). COO and animosity have not been found to influence consumers' judgment of domestic product. Given the foreign orientation of animosity and ethnocentrism, the absence of empirical linkage between domestic product attitude and those variables does not surprise researchers. The COO is influenced by halo (+) and stereotype (+), two antecedents of the COO. Ethnocentrism is affected by nationalism (+), patriotism (+), worldliness (-), demographics (income and gender), national culture (collectivism, uncertainty avoidance), five predictors explored by many researchers. Two behavioral outcome variables measured in terms of intention were included in the previous studies as outcome variables of cognitive and judgmental variables involving domestic and foreign products. Between the two, Intention to purchase domestic product is influenced by ethnocentrism (+) and judgment of foreign product (-), while intention to purchase foreign product is affected by judgment of foreign product (+).

Due to the partial inclusion of the key variables affecting consumer behavior involving choice between domestic and foreign products, most previous studies were constrained by the limited internal validity. The absence of global-scale sampling also limits external validity of existing studies beyond the sample. Despite the increasing attention to the consumer choice behavior involving domestic and foreign product and many findings reported in number, we do not witness attempts to integrate all these findings, key variables relevant to the choice behavior, and interrelationships among the key variables. Without a conceptual model integrating all the above key variables and a dynamic interplay of the variables in the formation of consumer cognition, judgment, and behavioral intention involving the choice of domestic and foreign products, future research in this direction will hardly see the whole, limiting the sight of the big picture while shedding light on the small parts of the whole, unknown to us. For the above reason, our attempt to develop and propose a conceptual model integrating existing research findings and proposing some new research directions appears to warrant both academic and practical merits.

A Proposed Model Integrating Existing Research Findings and Added Links with Research Propositions

Table 1 and Figure 1 developed from the existing research evidence, both conceptual and empirical, can serve as a platform from which we can generate a conceptual model that in turn can provide a set of research propositions worthy of future empirical testing.

The present research proposes a new model (See Figure 2) that broadens the conceptual scope extending the current empirical findings and hypotheses regarding the relationships among the key variables involving domestic and foreign products to some possible linkages amenable to future research effort. Figure 2 extends the conceptual scope to a comprehensive set of variables and inter-relationships among the variables identified as key players in the dynamic interplay of cognition, judgment, and behavioral intentions involving domestic and foreign products.

What makes this conceptual model unique relative to other existing conceptual models are: (1) this model represents a dynamic process model that shows three sequential steps of attitude formation that begins with cognitive step, followed by the judgment step, and ends with outcome step., (2) this model is a comprehensive model that integrates all the key relevant variables specifying proposed connections supported by previous research, (3) this model clearly distinguishes connections hypothesized only theoretically (see the dotted lines in Figure 2) and those tested empirically (see the solid lines in Figure 2), and (4) this model includes national culture and demographic variables as mediating relationship between key attitudinal variables (ethnocentrism, animosity, COO) and behavioral outcome variables (e.g., judgment and intention). This research is the first attempt to integrate all the main findings to develop a comprehensive conceptual model that describes and explains how all major foreign/domestic product choice behavior al variables are interconnected conceptually based on an extensive review of the related studies.

All the hypothesized relationships depicted in Figure 2 are supported by the existing literature (See Table 1 and Figure 1) and integrative deduction from the existing research findings. Findings from the sixteen studies reported in Table 1 and specific relationships among the key variables shown in Figure 1 provide literature support for the propositions proposed in the following section.

In the model, animosity is hypothesized to be affected by nationalism (+), patriotism (+),

and worldliness (-), originally three antecedents of ethnocentrism only. Worldliness is hypothesized to affect judgment of foreign product (+) and intention to purchase foreign product (+). Yoo and Donthu (2005) have found that collectivism, masculinity, uncertainty avoidance, and power distance positively affect consumer ethnocentrism. Gürhan-Canli and Maheswaran (2000) suggest that collectivistic culture positively affects country-of-origin (COO) thoughts. Animosity leads consumers to shun away from products made in certain countries (Rose net al. 2009).

culture. Consumer in the higher UA culture (e.g., Japan) will have higher COO (+) perception, higher consumer ethnocentrism (+), and higher animosity (+). A person with a life that has been exposed to experience involving foreign countries, education, and people may be friendlier in product judgment (Lee et al. 2007). It can be expected that the years of education, residence in foreign countries and consumers' judgment toward foreign product will be positively correlated. In the same vein, the

**Figure 2:** *A Proposed Model of Consumer Domestic / Foreign Product Choice Model*
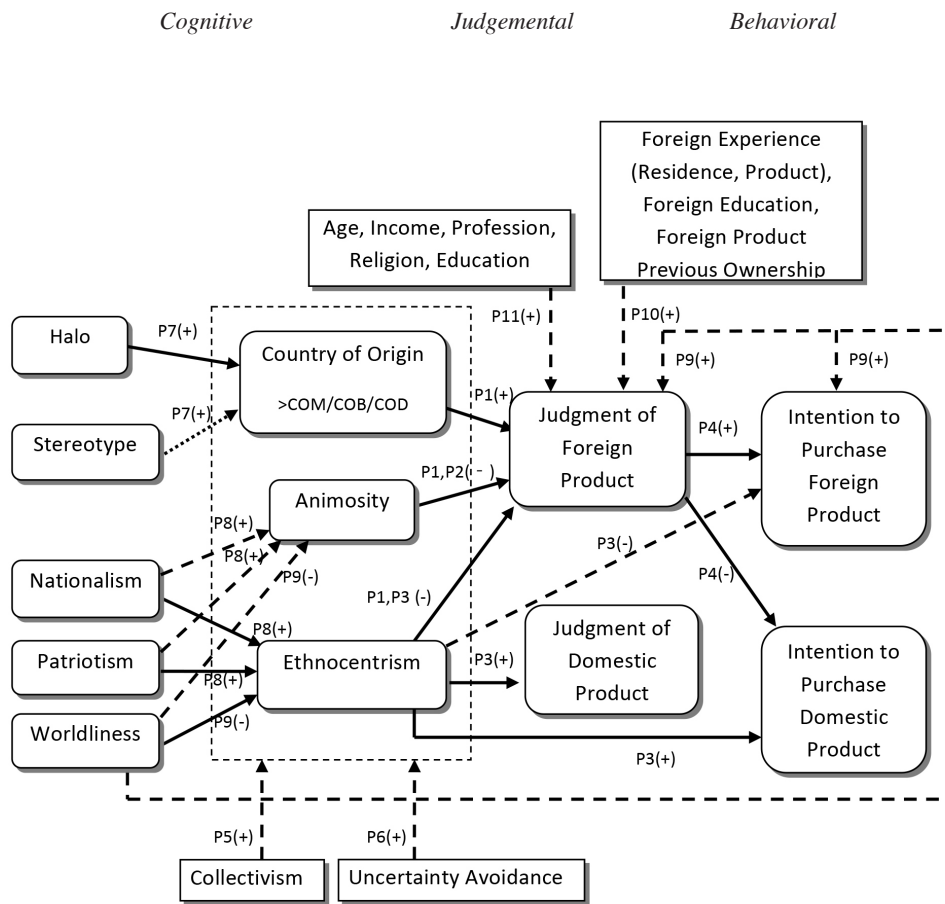


Product uncertainty and uncertainty avoidance affect quality judgment and behavioral intentions negatively (Lee et al 2007). Two dimensions of national culture, collectivistic/individualistic and uncertainty avoidance are believed to affect COO, animosity, and ethnocentrism. It is proposed that consumers in the collectivistic culture will show stronger COO (+) perception, higher consumer ethnocentrism (+), and higher animosity (+) than those in the individualistic

ownership experience with foreign brands will affect perception toward foreign product. The longer and more one own foreign brands, the better perception toward foreign product one will have. Demographic characteristics (gender, age, income, education) also have been found to be related to attitude toward domestic products through Westernization (Hsu and Nien 2008).

Based on the previous research and some

added discussion supported by the literature (See Table 1 and Figure 1), a number of research propositions are made. These propositions are visually illustrated in Figure 2.

P1: Negative COO Perception, animosity, and consumer ethnocentrism negatively affect consumers' product judgment of foreign products.
P2: Animosity negatively affects product judgment of foreign product.

P3: Consumer ethnocentrism negatively affects product judgment of foreign product, positively affects product judgment of domestic product, negatively affects intention to purchase foreign product, and positively affects intention to purchase domestic product.

P4: Positive product judgment of foreign product positively affects intention to purchase foreign product, and negatively affects intention to purchase domestic product.

P5: Consumers in the collectivistic culture will show as stronger COO perception, consumer ethnocentrism, and animosity toward a foreign nation than those in the individualistic culture.

P6: Consumer in the higher UA culture (e.g., Japan) will have higher COO perception, consumer ethnocentrism, and animosity toward a nation.
P7: Halo effect and stereotyping positively affect COO perception.

P8: Nationalism, patriotism positively affects consumer ethnocentrism and animosity toward a nation.

P9: Worldliness (globalization) negatively affects animosity and consumer ethnocentrism, and positively affects product judgment of foreign product and intention to purchase foreign product.
P10: Foreign residence experience, foreign product experience, foreign education, foreign product previous ownership positively affects product judgment of foreign product.
P11: Age, income, profession, religion, and education will affect product judgment of foreign product.

## FUTURE RESEARCH: CONCEPTUAL AND METHODOLOGICAL ISSUES

Given the magnitude and pace of globalization and the subsequent and continued growth of global trade in volume along with the diversity of product portfolio, momentum has gathered only recently among researchers to actively study consumers' perception and adoption of foreign products. As a reaction to the present global environment, and understandably, researchers are beginning to pay more attention to consumers' judgment regarding their import product choice.

The present study reviewed many key conceptual papers and empirical findings regarding the foreign product evaluation and purchase behavior, and proposed an integrative and dynamic model that streamlines the key variables reported in the literature. No attempt has yet been made to integrate these important variables pertaining to the foreign product evaluation and purchase behavior.

Worldliness, or globalized perspective, that is included in the model appears to be interesting and timely variable to research given the pace of globalization these days. The issue to resolve still is the lack of well standardized definition of the construct and the dearth of the well-accepted measures.

For future research, social media appears to be a promising variable for the study of the consumer's domestic/foreign product choice behavior. Social media, or global networking across national and ethnic boundaries, will bring a diverse array of people together and may change the way a consumer cognizes, judges, and acts on the foreign product purchase. Facebook, YouTube, and tweeter quickly spread the product information and opinion about the product in a way those in the active communication network can be conditioned to cognize and judge in certain harmony, if not in perfect harmony. The increased involvement in the social media communication in terms of frequency and time expended will lead to lower (or higher) level of halo, stereotyping, nationalism, patriotism that serve as antecedents of country-of-origin, consumer ethnocentrism, and animosity toward a particular foreign nation. Therefore, it can be hypothesized that the social media involvement significantly affects consumers' foreign product choice psychology and behavior. Future research may investigate the impact of the emerging technology on the formation of consumer psychology and behavior involving foreign product.

Both academicians and practitioners can benefit from future research projects that assess the impact of the environmental variables on the consumer choice behavior involving domestic and foreign products. Some emerging and global phenomena may influence global consumers' perception of foreign countries and products. These phenomena may include emerging economies, economic integrations (e.g., EU), bilateral free trade agreements (FTA),

global economic crisis, COO-brand separation (e.g., U.S. made Toyota, China-made I-Pad), emerging technology, aging population in developed nations, and natural environment (e.g., pollution, weather dynamics). The image of a nation can be shaped by the interplay of the above environmental variables. Clean air, beauty of the nature, clean water may boost the COO image and sales of the water products, while aging population can mean persistent stereotyping among the tradition-bound older consumers. Some EU nations can benefit from improved COO image that EU carries as more favored COO than the case without the EU status.

Some methodological issues that need to be addressed for future research are cross-national culture and its measurement, and a level of analysis (e.g., product, industry). In particular, Hofstede's culture dimensions measurement needs to be addressed in the presence of competing measure (e.g., Hall) and the choice of the culture dimension for the future research. This issue has been debated recently (Hofstede 2010).

National culture warrants merit of further scientific inquiry given the conflicting definitional and methodological issues that requires reassessment from the pedagogical and managerial perspective. In university teaching and academic research that involve national culture, the application of Hofstede's (1980) dimensions remains at an abusive and faulty level given the methodological shortcomings reported and debated in the literature. The present study posits that national culture affects consumers' foreign product evaluation and purchase behavior, and adopts two of the four major cultural dimensions of Hofstede-collectivism/individualism and uncertainty avoidance given the relative dearth of the culture measure in the literature. Future research needs to rectify the culture measurement issue and generate a measure that is consistent with the current global business dynamics. This must also have internal and external validity supported by the empirical assessment focusing on a more current and diverse consumer population, unlike those of the late 70s that remain the standard for present-day culture measurement. Any conclusion based on the outdated and one company-based sampling, although collected in many nations, can be skewed and limited in terms of generalizability.

Level of analysis is also an important issue to discuss since a few, if not all, variables included in the present research are product-specific and situation-specific. For example, country of origin (COO) is product-specific and animosity is country-specific. Halo and stereotype can also be product-specific and/or country-specific. Therefore, without properly incorporating analysis unit level specificity, research findings will be confounded significantly and will lose practical utility due to the inability to attribute the variance to a particular product or situation. If the finding is generalized to all product categories and/or situations, despite the product-specific or the situation-specific nature of the effect, subsequent managerial decision making will cause judgmental error or waste in the execution process. It is recommended that future research, when designing research, specify the level of analysis (e.g., product type, demographic or buying situation), and then collect and analyze data for each separate unit of analysis. Thus international business knowledge base will gain scientific and managerial utility in terms of explanatory power and application specificity.

Managers can benefit from the knowledge regarding the consumer choice behavior involving domestic and foreign products and the application of the knowledge to their marketing strategies (e.g., segmentation, positioning, and differentiation). For example, to promote the consumer's adoption of domestic products over foreign products, managers can appeal to nationalism or patriotism. To market foreign brands to local consumers, managers can reposition their products as a global brand so their products can escape country-specific halo or stereotyping effects.

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# Regulation of "Socially-(Un) Regulated" Spending

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## "TEASER" ABSTRACT

This study investigates the conceptual links from self-control to spending, financial hardship and well-being of university students. Findings indicate that (1) self-regulation predicts consumption only when spending context is free of social influences; but (2) in social context, normative expectations and identity play more important roles in consumption decision.

## EXTENDED ABSTRACT

This study investigates the links from self-regulation to spending, financial hardship and well-being, and hypothesizes that (1) self-regulation predicts consumption only when spending context is free of social influences; but (2) in social context, normative expectations and identity (Terry and Hogg 1996) play more important roles in consumption decision.

Spending, for some, is a therapeutic process that eliminates bad moods. The buy-now-pay-later feature of credit spending and online purchases further magnifies this mood elevation property by eliminating the aversion of immediate payment (Dittmar and Drury 2000; Dittmar, Long, and Bond 2007). This type of transaction however requires users to exercise self-control (often by projection) against overspending. Muraven and Baumeister (2000) define self-regulation as the key element in balancing one's desire to spend (mood elevation) and need to stay within budget. By this nature, self-regulation is a controlled process (Schneider and Shiffrin 1977), beneficial to achieving long-term goals, but resources demanding. The self-regulatory process utilizes an inner strength to exercise control and override impulse (Muraven and Baumeister 2000; Muraven and Slessareva 2003). Constant battling between these forces can deplete the strength to maintain self-control. Emotional distress and stress are detrimental demands that can upset that balance and lead to self-control failure. When in distress, one's primary goal is to elevate negative moods and restore equilibrium. The restoration requires additional strength and further depletes cognitive resources, leaving even less energy for other controlled processes. Hence, distress almost always follows by failure in dieting, resisting temptation and/or delaying gratification,

resulting in even more emotional turmoil (Tice, Bratslavsky, and Baumeister 2001). Credit cards and online shopping are notorious for contributing to out-of-control spending, especially for consumers high in impulsivity and tendency to use material possession as mood compensation (Dittmar et al. 2007; Garðarsdóttir, Dittmar, and Aspinall 2009; Norris and Larsen 2011).

With this backdrop, this study investigates spending patterns and money management practices of university students, who have been prime targets for bank credit card promotions. During their hay days, many banks have relaxed requirements for credit card application by first year university students. In Hong Kong, most university students hold more than one credit card. However, the convenience comes with extra responsibilities of monitoring spending and balancing budgets. Although some students are good at keeping healthy financial records, mis-uses are common, especially during difficult times. More unsettling is that some students, and consumers in general, are easily subjected to social pressures and sometimes use spending as a way to affirm identity or compensate for lack of it (Dittmar 2004; Dittmar, Beattie, and Friese 1996; Dittmar and Drury 2000; Dittmar et al. 2007; Garðarsdóttir et al. 2009).

Other research has shown that self-control, personal values and beliefs, and experiences in financial hardship are key precedents of (over) spending (e.g. Robb and Pinto 2010). To better understand university students' spending patterns, two cohorts of university students were surveyed with objectives to (1) construct a spending profile of university students, and (2) delineate the roles of self-regulation, social influences and self-identity play in consumption.

**Study One:** Participants were students taking introductory psychology course at a university in Hong Kong. Experience sampling technique was used to record daily spending for three days spaced out throughout a week. Self-regulatory profiles were constructed using Rosenbaum's (1980) Self-Control Schedule. Moods were measured by ratings on sixteen adjectives describing how they felt at the moment of the purchases, e.g. having fun, guilty,

stressed, feeling good, depressed, etc. (as in Trope and Fishbach 2000).

Seventy-four students (18 males and 56 females) were recruited for this study, with mean age of 19.85 (*SD* = 1.39). Eighty percent of them are in their first year of study, and 34% had credit cards before entering university. Average number of credit cards held by each participant is 2.19 (*SD* = 1.34). Data showed that most students were quite sensible in managing their finances, and the credit misuse problem might not be serious. Further multiple regressions show that lower self-control consistently predicts larger amount of purchases, $B = -4.8$, $t = -3.98$, $p < .01$; $R^2$ = 33.8%. Nevertheless, when purchases were made alone, effects of self-control diminish, but negative mood then plays a prominent role in predicting bigger purchases, $B = 24.44$, $t = 2.26$, $p < .05$; $R^2 = 24.4\%$. When purchases were made together with friends, both lower self-control, $B = -7.59$, $t = -4.41$, $p < .01$, and positive mood, $B = 54.92$, $t = 2.88$, $p < .01$; $R^2 = 47.9\%$, predict bigger purchases.

Results agree with Muraven and Baumeister's (2000) argument that self-control varies with mood changes. Data also reveal that lower self-control, regardless of mood, and making purchases with friends are related to increase spending. In sum, (1) people go shopping alone either when they have a target to buy, or when they are in bad mood, and (2) those shopping with friends are usually in an elevated mood, and purchases are usually made under the influences of their company, especially when self-control is low.

**Study Two:** Extending beyond isolated spending incidents, the second study surveyed a different cohort of university students, from various universities in Hong Kong, on debt-related attitudes (e.g. credit usage), financial management practices (e.g. budgeting) and financial well-being (e.g. money related stress). The study instrument was constructed based on Kidwell, Brinberg and Turrisi's model of money management (2003), derived from Azjen's Theory of Planned Behaviour (1985, 1991). Also examined in the survey were psychological variables shown to be pertinent to planned behavior, with respective to financial management.

Altogether 802 useable data were generated from the questionnaire, with a mean age of respondents at 21.1 years (*SD* = 2.32 years), 33.5% male and 66.5% female. Among them, 85.8% were studying for bachelor degree, 11.9% master, and 2.2% doctoral, in a variety of academic backgrounds. Results indicate

students' levels of perceived behavioral control were positively related to financial management practices and the amount of loan they had. Respondents who reported more of their friends practicing financial management (i.e. higher perceived group norm) tended to be more engaged in such behavior as well. Those showing more positive (or less negative) affects for exercising financial management, using credit cards, and getting loans, were more likely to carry out such behavior accordingly. Furthermore, respondents who had used cash advance had poorer financial well-being, $r(489) = .113$, $p = .012$; so did those who had loans from banks and private financial institutions, $r(489) = .113$, $p = .012$. Anticipated income upon graduation was negatively correlated with financial well-being, $r(648) = .125$, $p = .001$. In other words, students who anticipated a higher income were less concerned about their current financial status. Those who anticipated a higher income also had more credit cards, $r(642) = .082$, $p = .041$, and used credit cards more often, $r(436) = .102$, $p = .032$. If they were on loans, they also borrowed more money from banks or private financial institutions, $r(39) = .405$, $p = .009$. Findings confirm that students' tendency to engage in healthy financial management practices are related to attitudes toward debt, impulsivity, perceived behavioral control, financial knowledge, and employment. Students, who practice good financial management, tend to incur less debt and show better financial well-being.

## CONCLUSION

Results from both studies suggest that including financial education in orientation program will help prepare new students to face challenges of university life. Financial education programs can take any form but must attract campus-wide attention and establish proper social norms of healthy financial management among student bodies. Students are more inclined to engage in proper uses of credits and loans and healthy financial management, if their acquaintances do so. Raising awareness of proper financial attitudes and empowering students with financial knowledge can enhance money handling competencies and help develop resilience in dealing with future money and other challenges. Since (young) people tend to use spending as a way to substantial social standings (when shopping with friends), healthy money attitudes (against debts) can strengthen resistance (self-control) against overspending. Positive money attitudes and competencies are essential survival

skills when students facing financial hardships which may prevent them from completing university education (Block 2006; Downey 2011; Stinebrickner and Stinebrickner 2011).

Hence, this study draws attention to the needs of identifying potential problem students and providing early assistance, e.g. including financial education in orientation. Theoretical implications of this research go beyond consumption per se, and provide an understanding of how students deal with academic stress, negative emotions, even life challenges after graduation. For this cohort of university students, one major life challenge will be dealing with the enormous amount student loans and debts upon graduation. Resilience, flexibility, and readiness to tackle such challenges will affect not only future success, but also general well-being (Nickerson et al. 2007). Hence, understanding the mechanism behind one's ability to handle spending temptation and responsibilities to manage finances will have far-reaching practical implications, and is the ultimate goal of this study.

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# How 'Shades of Failure' and Mental Simulation Affect the Likelihood of Subsequent Actions

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## ABSTRACT

Literature in sequential choice categorizes focal actions and reactions as either goal consistent or inconsistent. In practice, there are shades of consistency: some actions are greater failures than are others. Based on three inter-related studies, we empirically demonstrate that the likelihood of performing subsequent actions is affected by the extent of failure of the current action; and, that this effect is moderated by a process mental simulation versus an outcome simulation prime.

## EXTENDED ABSTRACT

Research exploring self-regulation falls into four categories: establishing a goal, actions that lead to the goal, monitoring one's progress, and responses to failures (Baumeister 2002). Much empirical literature investigates goal setting and monitoring, i.e., the two test phases of the test-operate-test-exit feedback loop (Carver and Scheier 1981). Research exploring the operate phase of the cycle has focused on regulatory actions required to suppress temptations, such as thought control or affect regulation (Muraven et al 1998).

A closer inspection of the literature on the test and operate phase uncovers a significant research gap regarding what constitutes goal discrepancy. Consumption actions are deemed as either consistent or inconsistent with the focal goal; however, in practice some actions considered "failures" are more extreme than are others. For example, when striving to lose weight, consuming a single cookie is arguably less goal inconsistent than is gorging at a buffet. Huber et al. (2008, p. 232) acknowledge that not all failures are of equal severity, and that "goal continuity is the default (mindless) behaviour, but one which can be easily disrupted by internal or external drivers". This research effort empirically explores how differences in the degree of failure – what we call 'shades of failure' – affect the likelihood of engaging in subsequent goal balancing or reinforcing actions.

In addition to empirically testing the effect of 'shades of failure' on follow-on actions, it is hypothesized that should differences exist, they will be moderated by the extent to which an individual is primed to invoke a goal progress versus goal outcome mental simulation (Zhao et al. 2007). Studies have shown that when individuals engage in process-focused mental simulation (i.e., being requested to imagine the step-by-step processes involved in reaching a certain goal), their performance is superior – there is a greater tendency to stay goal focused – relative to those who engage in outcome-focused simulation (Pham and Taylor 1999).

## RESEARCH OVERVIEW

To test the effect of shades of failure and mental simulation on the likelihood of engaging in subsequent actions, three inter-related studies were undertaken. The purpose of Study 1 was to establish that actions lay on a range of "goodness" relative to achieving a particular goal, in this case the grade the student hoped to receive in the course. Twenty-two students were asked to: "Please think for a moment about the grade you would like to receive for this class." They were then instructed to rate 12 actions as to whether they would be helpful or not helpful in getting the grade they desired on a -5 (would make it LESS likely to get the grade) to +5 (would make it MORE likely to get the grade). Means and tests for statistical equivalence appear in Table 1. Actions of similar valence vary in their perceived goodness or badness, as was anticipated.

**Study 2** was to see if the level of goodness or badness of selected actions from Study 1 could be further amplified by cueing subjects to consider the extent of goal progress, i.e., movement toward the goal of receiving the desired grade. Fishbach and Dhar (2005) found that priming subjects about the progress they had made toward achieving a focal goal has a liberating effect: positive goal progress results in a greater tendency to engage in goal inconsistent (balancing) behaviours. This raises the following question: Would a person indulging in a goal inconsistent action but who is overall pleased with their progress toward achieving a goal view their current indulgent action as less negative?

59 students were shown four of the actions selected from Study 1 (for brevity purposes, Table 2 lists two of the actions). Using a counterbalanced design each of these actions was followed by either

*Table 1: Actions perceived as Positive, Negative and Neutral
with respect to getting the desired grade for the course (n = 22)*

| Valence of actions | Actions | Means (scale range -5 to +5) | |
|---|---|---|---|
| POSITIVE | 1. Joining a study group to prepare for the final exams. | $2.90^{+ve}$ | |
| | 2. Completing the supplementary questions at the end of the textbook chapter. | $3.09^{+ve}$ | Statistically equivalent means |
| | 3. Go to the university library to review previous exams for this course. | $3.59^{+ve}$ | |
| | 4. Finding a quiet spot to read my textbook for a few hours. | $3.68^{+ve}$ | |
| | 5. Attending a special session offered by the Professor to prepare for the final exam. | $4.22^{+ve}$ | |
| NEGATIVE | 1. Going out for the evening to a concert. | $-1.27^{-ve}$ | |
| | 2. Spending the evening at a birthday party. | $-1.27^{-ve}$ | Statistically equivalent means |
| | 3. Watching a two hour episode of my favourite TV show. | $-1.59^{-ve}$ | |
| | 4. Playing on my PC for a few hours, such as playing video games or chatting on Facebook. | $-2.27^{-ve}$ | |
| | 5. Lounging around my apartment reading various magazines that feature famous movie and sports stars. | $-2.95^{-ve}$ | Statistically equivalent means |
| NEUTRAL | 1. Spending the afternoon doing charity work (for example, help organize an event for children with cancer) | $.36^{neut}$ | Neither activity different from 0 |
| | 2. Doing weekly grocery shopping. | $-.82^{neut}$ | |

$^{+ve}$ = *One sample t-tests show that the mean scores for these actions are greater than zero (p's <.05).*
$^{-ve}$ = *Mean scores less than zero (p's <.05).*
$^{neut}$ = *Mean scores not different from zero (p >.05).*

## STUDY 2

Study 2 was to see if the level of goodness or badness of selected actions from Study 1 could be further amplified by cueing subjects to consider the extent of goal progress, i.e., movement toward the goal of receiving the desired grade. Fishbach and Dhar (2005) found that priming subjects about the progress they had made toward achieving a focal goal has a liberating effect: positive goal progress results in a greater tendency to engage in goal inconsistent (balancing) behaviours. This raises the following question: Would a person indulging in a goal inconsistent action but who is overall pleased with their progress toward achieving a goal view their current indulgent action as less negative?

59 students were shown four of the actions selected from Study 1 (for brevity purposes, Table 2 lists two of the actions). Using a counterbalanced design each of these actions was followed by either "You are pleased so far with the progress you have made toward preparing for the exam" or "You are not pleased so far ..." It was anticipated that positive progress would shift mean scores to the right relative to not being pleased with one's progress.

Although the means for "Lounging around ..." are not significantly different, both means have a negative valence and are significantly less than zero (p = .001). Because the means are nearly the opposite of the positively valenced action, "Finding a quiet spot ...", these two scenarios advanced into Study 3 to see if these respective current action states differentially affect the likelihood of performing subsequent actions.

## STUDY 3

The purpose of Study 3 is to show that the likelihood of a engaging in follow-on activities (such as '*Going out for the evening to a concert')* is affected by how extreme are the perceptions of the goodness or badness of the current situation, that is the actions shown in Table 2 above.

93 university students participated in a 2 (outcome versus process mental simulation prime) by 2 (counterbalanced current action state scenarios) between subjects design. To invoke an outcome versus process mental simulation, subjects read either: "In the next few lines, *please write down how you would feel to receive your report card and see that you were awarded the grade you were hoping to get"* (outcome mental simulation). Or, "*please write down some of the things you will need to do*

*to be awarded the grade that you are hoping to get"* (process simulation). All subjects then read one positive and one negative scenario from Table 2, each of which was followed by 10 activities for which they were to rate the likelihood of performing that activity on a 10-point scale with the endpoints, "Not at all likely to perform this activity" to "Extremely likely to do this activity". The ten activities chosen were the remaining ten of the 12 activities from Table 1 and appeared in the following order:

Q1) Playing on my PC for a few hours ...
Q2) Go to the university library ...
Q3) Do my weekly grocery shopping.
Q4) Joining a study group ...
Q5) Spending the afternoon doing charity work ...
Q6) Watching a two hour episode of my favourite TV show.
Q7) Completing the supplementary questions ...
Q8) Spending the evening at a birthday party.
Q9) Attending a special session offered by the Professor ...
Q10) Going out for the evening to a concert.

Each subject therefore rated the 10 activities twice. Means and preliminary tests appear in Table 3.

Table 3a: Means and p-values corresponding to the Mental simulation* Level of goal progress interaction on the ten dependent measures following Scenario 1.

*Table 2: How actions identified in Study 1 are affected by*
*perceptions of goal progress (n = 59)*

| Valence of actions | Actions | Means (scale range -5 to +5) |
|---|---|---|
| POSITIVE | 1. Finding a quiet spot to read my textbook for a few hours. You are pleased so far with the progress you have made toward preparing for the final exam. <br> 2. Finding a quiet spot to read my textbook for a few hours. You are <u>not</u> pleased so far with the progress you have made toward preparing for the final exam. | 2.88[+ve] <br><br><br><br><br> 1.81[+ve]   (p = .046) |
| NEGATIVE | 3. Lounging around my apartment reading various magazines that feature famous movie and sports stars. You are pleased so far with the progress you have made toward preparing for the final exam. <br> 4. Lounging around my apartment reading various magazines that feature famous movie and sports stars. You are <u>not</u> pleased so far with the progress you have made toward preparing for the final exam. | -1.81[-ve] <br><br><br><br><br> -2.64[-ve]   (p > .05) |

| Action States | Means | | P-values |
|---|---|---|---|
| | Hi progress | Lo progress | |
| **Scenario 1:** **You spent this morning lounging around your apartment reading magazines that feature famous movie and sports stars.** *(Followed by) You are pleased/ not pleased so far with the progress you have made toward preparing for the final exam.* | | | |
| Q(1)  Outcome | 4.09 | 3.54 | $ME_{simulation} = .72$ |
|            Process | 4.77 | 3.28 | $ME_{progress} = .09^m$ |
| | 5.40 | 4.66 | $IE_{simulation*progress} = .43$ |
| Q(2)  Outcome | 5.40 | 4.56 | |
| | 2.72 | 3.37 | $ME_{simulation} = .92$ |
|            Process | | | $ME_{progress} = .18$ |
| Q(3)  Outcome | 3.04 | 2.24 | $IE_{simulation*progress} = .92$ |
|            Process | | | $ME_{simulation} = .42$ |
| Q(4)  Outcome | 4.27 | 4.04 | $ME_{progress} = .87$ |
|            Process | 3.38 | 4.16 | $IE_{simulation*progress} = .15$ |
| Q(5)  Outcome | 1.77 | 1.25 | $ME_{simulation} = .51$ |
|            Process | 1.72 | 1.40 | $ME_{progress} = .63$ |
| Q(6)  Outcome | 3.72 | 3.16 | $IE_{simulation*progress} = .39$ |
|            Process | 3.63 | 3.20 | $ME_{simulation} = .90$ |
| Q(7)  Outcome | 4.36 | 5.66 | $ME_{progress} = .32$ |
|            Process | 6.40 | 4.96 | $IE_{simulation*progress} = .82$ |
| | | | $ME_{simulation} = .96$ |
| | | | $ME_{progress} = .41$ |
| | | | $IE_{simulation*progress} = .91$ |
| | | | $ME_{simulation} = .19$ |
| | | | $ME_{progress} = .88$ |
| | | | $IE_{simulation*progress} = .009^*$ |

*Table 3a continued: Means and p-values corresponding to the Mental simulation\* Level of goal progress interaction on the ten dependent measures following Scenario 1.*

| Action States | Means | | P-values |
|---|---|---|---|
| Scenario 1:<br>**You spent this morning lounging around your apartment reading magazines that feature famous movie and sports stars.** *You are pleased/not pleased so far with the progress you have made toward preparing for the final exam.* | | | |
| | Hi progress | Lo progress | $ME_{simulation} = .18$ |
| Q(8)   Outcome | 2.09 | 3.30 | $ME_{progress} = .79$ |
|       Process | 4.18 | 2.68 | $IE_{simulation*progress} = .01*$ |
| Q(9)   Outcome | 6.95 | 7.12 | |
| | 7.23 | 6.44 | $ME_{simulation} = .68$ |
|       Process | 2.13 | 2.50 | $ME_{progress} = .52$ |
| Q(10)  Outcome | 2.81 | 2.44 | $IE_{simulation*progress} = .32$ |
|       Process | | | $ME_{simulation} = .57$ |
| | | | $ME_{progress} = .98$ |
| | | | $IE_{simulation*progress} = .50$ |

$ME_{simulation}$ = Main Effect of the independent variable "Mental Simulation".

$ME_{progress}$ = Main effect of the independent variable "Level of goal progress".

$IE_{simulation*progress}$ = Interaction effect of "Mental Simulation" and "Level of goal progress".

*= Significant p-value when significance is p = .05.

[m] = Marginally significant p-value when significance is p = .10.

*Table 3b: Means and p-values corresponding to the "Mental simulation* Level of goal progress" interaction on the ten dependent measures following Scenario 2.*

| Action States | Means | | P-values |
|---|---|---|---|

**Scenario 2:**
**This morning you found a quiet spot to read your textbook for a few hours.** *(Followed by) You are pleased/not pleased so far with the progress you have made toward preparing for the final exam.*

| Action States | Hi progress | Lo progress | P-values |
|---|---|---|---|
| Q(1) Outcome | 4.20 | 2.04 | $ME_{simulation} = .55$ |
| Process | 2.72 | 2.88 | $ME_{progress} = .06^m$ |
| | 5.28 | 6.35 | $IE_{simulation*progress} = .03*$ |
| Q(2) Outcome | 5.13 | 5.96 | $ME_{simulation} = .63$ |
| Process | 3.60 | 1.61 | $ME_{progress} = .09^m$ |
| Q(3) Outcome | 2.90 | 1.68 | $IE_{simulation*progress} = .82$ |
| Process | 4.04 | 6.33 | $ME_{simulation} = .49$ |
| Q(4) Outcome | 5.31 | 4.79 | $ME_{progress} = .001*$ |
| Process | 1.16 | 1.23 | $IE_{simulation*progress} = .41$ |
| Q(5) Outcome | 2.41 | 1.12 | $ME_{simulation} = .81$ |
| Process | 3.76 | 1.76 | $ME_{progress} = .11$ |
| Q(6) Outcome | 3.18 | 1.72 | $IE_{simulation*progress} = .01*$ |
| Process | 5.52 | 6.19 | $ME_{simulation} = .18$ |
| Q(7) Outcome | 5.41 | 6.92 | $ME_{progress} = .15$ |
| Process | | | $IE_{simulation*progress} = .11$ |
| | | | $ME_{simulation} = .56$ |
| | | | $ME_{progress} = .001*$ |
| | | | $IE_{simulation*progress} = .61$ |
| | | | $ME_{simulation} = .57$ |
| | | | $ME_{progress} = .05*$ |
| | | | $IE_{simulation*progress} = .45$ |

*Table 3b continued: Means and p-values corresponding to the Mental simulation* Level of goal progress interaction on the ten dependent measures following Scenario 2.*

| Action States | Means | | P-values |
|---|---|---|---|
| **Scenario 2:** **This morning you found a quiet spot to read your textbook for a few hours.** *You are pleased/not pleased so far with the progress you have made toward preparing for the final exam.* | | | |
| | Hi progress | Lo progress | |
| Q(8)  Outcome | 3.88 | 1.00 | $ME_{simulation} = .85$ |
| Process | 3.36 | 1.70 | $ME_{progress} = .001*$ |
| | | | $IE_{simulation*progress} = .24$ |
| Q(9)  Outcome | 6.80 | 7.76 | |
| | 7.00 | 7.16 | $ME_{simulation} = .67$ |
| Process | | | $ME_{progress} = .23$ |
| Q(10)  Outcome | 3.16 | .81 | $IE_{simulation*progress} = .39$ |
| | 2.54 | 1.84 | |
| Process | | | $ME_{simulation} = .65$ |
| | | | $ME_{progress} = .002*$ |
| | | | $IE_{simulation*progress} = .08^{m}$ |

Analysis is still in progress, but preliminary findings show that:

In five of the 20 analyses there was a significant main effect due to the goal progress manipulation, but all were when the progress manipulation was attached to a positively valenced action ('This morning you found a quiet spot to read your textbook", Table 3b), not the negatively valanced action ('You spent this morning lounging around your apartment reading magazines ...', Table 3a). In all five cases high goal progress led to indulgent behaviour: subjects indicated a greater likelihood to do subsequent negative events (e.g., Watching a two episode of my favourite TV show), a neutral event (Do my weekly grocery shopping), and were less likely to do a positive action (Completing the supplementary questions at the end of the textbook chapter). These findings are consistent with those of Fishbach and Dahr (2005). However, it is worth noting that given the 20 between subjects ANOVAs, in 11 cases there is no significant effect due to either level of goal progress or mental simulation manipulation.

In four of the analyses there were significant two-way interactions, two were with respect to the negatively valenced scenario and two with the positive scenario. Further, within each of the negative/positive scenarios, one interaction was with respect to a subsequent goal inconsistent action and one with a goal consistent action. The patterns of means suggest that there is an equal likelihood of performing a subsequent action given a process orientation and high progress as there is if one had an outcome orientation and low progress, regardless of whether the subsequent event was goal consistent or inconsistent. These interactions suggest that conclusions to date regarding the effects of mental simulation (process versus outcome) and goal progress must be qualified.

At the *within subject* level, differences in the likelihood of doing subsequent actions is greater if a negative current action is coupled with high progress and a positive action with low progress than is the case when comparing a negative action plus low progress to a positive action plus high progress, a counterintuitive finding given that Study 2 shows that negative action plus high progress is closer on the -5 to +5 scales to positive action plus low progress than

is negative plus low progress to positive plus high progress. Further analysis is required.

As a final sidebar, the activity that students were least likely to do – even relative to the negative, goal inconsistent events – was to engage in charity work: *Spending the afternoon doing charity work (for example, help organize an event for children with cancer)* (mean = 1.53).

## CONCLUSION

Although analyses are still in progress, it does appear that it is inappropriate to assume there are generalities regarding the effects of mental simulation and goal progress: in more than half the cases there was no supporting evidence. Huber et al. (2008, p. 236) acknowledge that for "short-term sequential choices, patterns of reinforcement or balance can be determined by lower-level internal drivers" and that these are "fragile and can be moderated ..." Herein, the fragility of engaging in subsequent actions has been empirically demonstrated, and often in ways that are counterintuitive. Follow-on research to delve into the underlying psychological mechanisms is in progress.

Referring again to Huber et al. (2008, p. 232), a heartening finding is that "goal continuity is the default (mindless) behaviour": in general students gave a higher likelihood of engaging in actions that would move them toward their desired goal state (receiving the grade they wanted to earn in the class) as opposed to engaging in goal inconsistent behaviour – although the likelihood of indulging in the latter was greater than zero regardless of current action state.

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# The Gloves are Coming Off to Use Direct / Indirect Comparative Ads Depends On the Comparison Strategy

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## ABSTRACT

In comparative advertising, advertisers use differential ad formats (direct/indirect) and comparison strategies (targeting either the market leader or multiple brands). Here, we show that when direct comparisons are employed, it is advisable to compare oneself with multiple brands (rather than with the market leader); thus extending prior work in a managerial relevant way.

## EXTENDED ABSTRACT
## INTRODUCTION AND MOTIVATION FOR RESEARCH

The US Federal Trade Commission (FTC) defined comparative advertising as "advertising which compares alternative brands on objectively measurable attributes or price, and identifies the alternative brand by name, illustration, or other distinctive information". Thus, comparative ads have two formats: direct (*"Total Corn Flakes have more nutritional ingredients than Kellogg Corn Flakes"*) and indirect (*"Tylenol is safer than other regular non-prescription pain relievers"*). Also, comparative ads differ on another dimension: comparison strategy ('multi-brand': when a brand compares itself with multiple brands in that category or the 'market leader': when a brand compares itself with the leading brand).

Prior research has shown that the effectiveness of direct and indirect comparisons is often influenced by moderating conditions like message characteristics (e.g. one-sided/two-sided message studied by Goodwin and Etgar 1980; negative or positive valence by Jain and Posavac 2004), media characteristics (e.g. competitive interference studied by Ang and Leong 1994, Kent and Allen 1994) product characteristics (e.g. Functional vs. Psychological studied by Goodwin and Etgar 1980) or audience characteristics (e.g. Need for Cognition and Self Construal studied by Polyorat and Alden 2005). However, there is no research on whether direct/indirect comparisons are better when a brand uses 'multi-brand/market leader' comparison strategy. In other words, does the effectiveness of comparison format depend on type of comparison strategy? It is important to answer this question since 'multi-brand' comparisons are used extensively (Kalro, Sivakumaran and Marathe 2010) and most research in this genre has studied single brand comparisons only (e.g. Gorn and Weinberg 1984, Chattpodhyay 1998, Chang 2007).

This study examines the combined impact of comparative advertising formats (direct vs. indirect) and comparison strategy ('market leader' vs. 'multi-brand') on consumer response/outcome variables (perceived manipulative intent, attitude towards the ad, attitude towards the brand, and perceived brand differences). In particular:

Do 'multi-brand' or 'market leader' comparisons reduce the perceived manipulative intent, that is, "a state wherein a consumer infers that the advertiser is attempting to persuade him/her by inappropriate, unfair, or manipulative means" (Campbell 1995), of direct and indirect comparative ads?

Do 'multi-brand' or 'market leader' comparisons create stronger/weaker favorable attitudes toward direct and indirect comparative ads?

## CONCEPTUAL FRAMEWORK

Comparative ads can evoke negative responses (Chang 2007). These negative responses may get augmented if the advertiser targets a particular competitor, especially the market leader, due to the inherent strength of belief in the market leader (Goodwin and Etgar 1980). Therefore, a direct comparative ad against the 'market leader' elicits more negative thoughts because consumers perceive this as an "attention-seeking" tactic of the advertiser.

On the other hand, the higher information content of comparative ads leads to greater information processing and involvement of the consumers (Yagci, Biswas, and Dutta 2009); thus, reducing the perceived skepticism toward the comparative claim. Further, if comparisons are made against multiple players in that category, consumers will not presume that a specific competitor is being attacked and they will perceive such ads to be more credible. Therefore, use of 'multi-brand' comparison strategy in direct comparative ads

will reduce the perceived manipulative intent of the advertiser and create stronger favorable attitude-toward-the-ad ($A_{ad}$). Also, availability of information across multiple competitors (particularly by referring to them explicitly) increases the vividness of the information, thus, encouraging the readers to engage in the elaboration of message information and also, activating the pre-existing knowledge structures. Comparative ads, by naming dominant brands, attempt such activation of pre-existing knowledge structures directly and thereby, encouraging the consumers to use the central route of information processing (Dröge 1989). Thus, this enhanced message involvement in direct 'multi-brand' comparisons encourages rational thinking and reduces skepticism or suspicion in the minds of the consumers and enhances favorable $A_{ad}$.

Thus, based on the Persuasion Knowledge Model and Attribution Theory, we posit that the difference in perceived manipulative intent (H1) and $A_{ad}$ (H2) between direct and indirect comparative ads will be higher when the advertising brand compares itself to the market leader than when it compares itself to multiple competitors.

## METHODOLOGY

Kalro, Sivakumaran, and Marathe (2010) found that advertisers use comparative ads for both utilitarian and hedonic products equally; and that comparative ads were more common for products high on purchase decision involvement (PDI). Hence, based on Voss, Spangenberg and Grohmann (2003), and Mittal (1989), we chose the smart phone category that met the required criteria ($M_{HED}$ = 5.064; $M_{UTI}$ = 6.132 and

high PDI value = 5.606).

We introduced a fictitious new smart phone model of an existing company, *Toshiba*. The model was named *Toshiba TG-03* with Toshiba's tagline, '*Delivering the Best User Experience*' with six superior attributes (slimmest body, least weight, highest display resolution, largest screen, highest camera resolution and waterproof) relative to the referred-to brand(s).

We conducted the study in a prominent university in India (N=109). The study was a 2 (comparison formats: direct/indirect) X 2 (comparison strategies: 'market leader'/'multi-brand') between-subjects experimental design. The participants were asked to process a print ad and fill the questionnaire.

For direct 'market leader' comparisons, we compared *Toshiba TG-03* against a real brand in the smart phone category, *Apple iPhone* (the market leader when this study was conducted in March 2009). For direct 'multi-brand' comparisons, *Toshiba TG-03* was compared to *Apple iPhone, Nokia 5800 Xpress Music and BlackBerry*, in a tabular format, claiming superiority for *Toshiba TG-03*. For indirect comparative ads, the text read '*Toshiba TG-03 is better than the leading brand*' (subtly referring to *Apple iPhone* in terms of its logo font and color) and in the indirect 'multi-brand' comparison it was compared to *Brand X, Brand Y and Brand Z* (indirectly referring to *Apple iPhone, Nokia 5800 Xpress Music and BlackBerry* respectively through the use of logos, fonts and colors).

We used "Users of comparison brand" and "subjective product class knowledge of the consumers" as covariates in this study (Barone, Palan and Miniard 2004). All the scales were adapted from extant literature (Table 1).

**TABLE 1: SCALES: SOURCE AND ALPHA VALUES**

| Scale | Source | Cronbach's Alphas |
|---|---|---|
| Hedonic/Utility | Voss, Spangenberg, and Grohmann (2003) | .805 |
| Subjective product class knowledge | Mitchell and Dacin (1996) | .874 |
| Purchase Decision Involvement (PDI) | Mittal (1989) | .901 |
| Perceived Manipulative Intent | Chang (2007), Campbell (1995) | .835 |
| Attitude-toward-the-ad ($A_{ad}$) | Muehling (1987), Dröge (1989) | .846 |

## RESULTS

The two-way MANCOVA results are as follows: Pillai's Trace = .105; Wilks' lambda = .895; Hotelling's Trace and Roy's Largest Root = .117, $F(2, 101) = 3.952$, $p < .05$, $\omega^2 = .08$. Both "Users of comparison brand" and "Subjective knowledge of the respondents" were non-significant across conditions (all p's > .10). The follow-up ANOVAs are presented below.

**Perceived Manipulative Intent:** As predicted, the interaction between comparison formats and comparison strategies is significant for perceived manipulative intent ($M_{Direct\text{-}Market\ Leader} = 3.94$, $M_{Direct\text{-}Multi} = 2.89$, $M_{Indirect\text{-}Market\ Leader} = 3.47$, $M_{Indirect\text{-}Multi} = 3.34$; $F(1,103) = 4.638$, $p < .05$, $\omega^2 = .09$) (Figure 1).
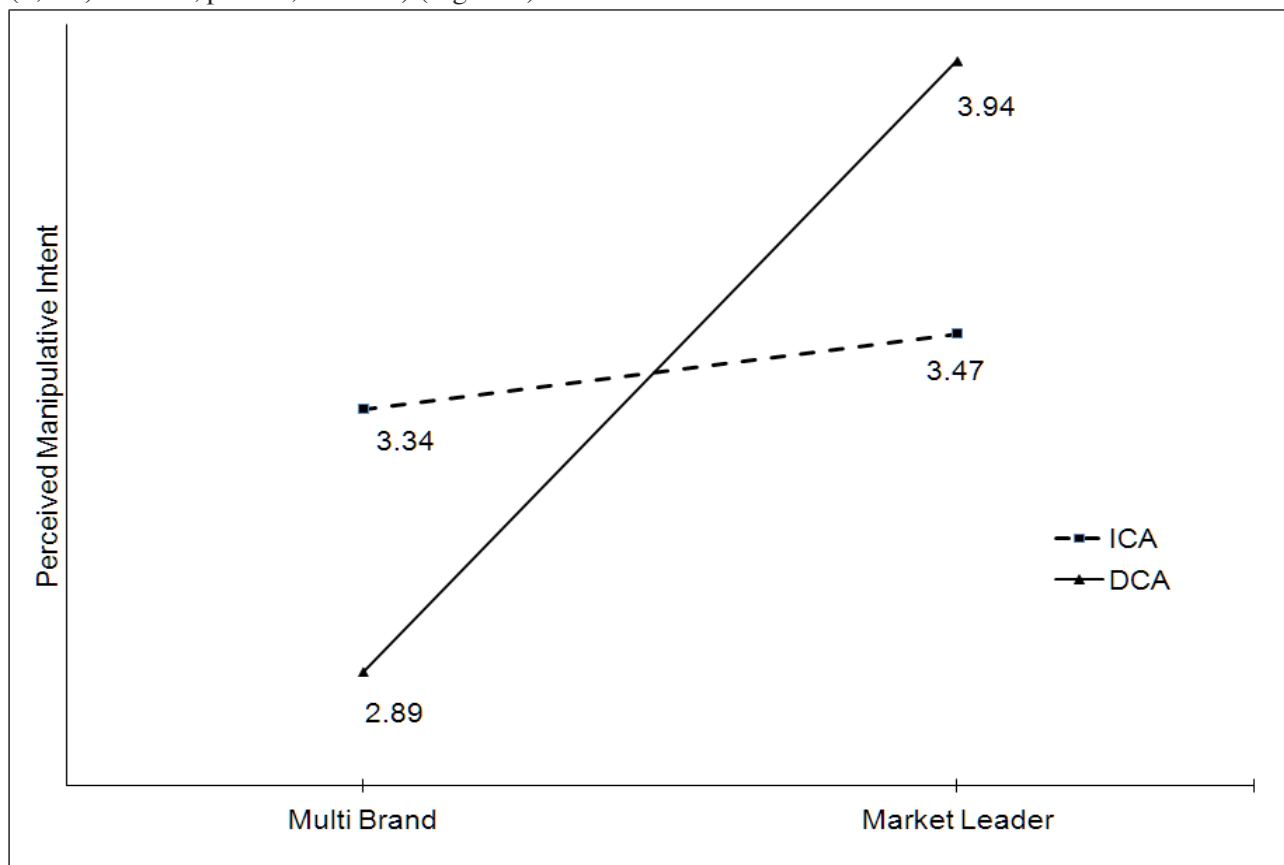


*Figure 1: PERCEIVED MANIPULATIVE INTENT*

(Note: The dashed line represents Indirect Comparative Ads)

**Attitude-toward-the-Ad ($A_{ad}$):** Supporting the hypothesis, the interaction between comparison formats and strategies on $A_{ad}$ is significant ($M_{Direct\text{-}Market\ Leader} = 3.85$, $M_{Direct\text{-}Multi} = 4.92$, $M_{Indirect\text{-}Market\ Leader} = 4.57$, $M_{Indirect\text{-}Multi} = 4.71$; $F(1, 103) = 4.778$, $p < .05$, $\omega^2 = .09$) (Figure 2). Both interactions were in the predicted direction supporting H1 and H2.

## DISCUSSION AND CONTRIBUTIONS

We found a significant interaction between comparison format and comparison strategy on perceived manipulative intent and $A_{ad}$. We found that broadly, manipulative intent was lower (higher) when multi-brand (market leader) comparisons were used for both direct and indirect comparative ads. Also, $A_{ad}$ was higher (lower) when multi-brand (market leader) comparisons were used.

Our research has a number of significant theoretical and managerial contributions. Consistent with recent studies (Chang 2007; Thompson and Hamilton 2006), this study also identifies a moderating condition (comparison strategy) that enhances the effectiveness of comparative advertisements (specifically direct ones). Our study shows that using 'multi-brand' comparisons reduces the inference of manipulative intent for direct comparisons.

Most prior research (e.g. Shimp and Dyer 1978, Grewal et al. 1997) found that direct comparative ads using 'market leader' comparison were ineffective. However, we show that direct comparison ads are not always seen negatively. When direct comparative ads use 'multi-brand' comparisons, they are evaluated
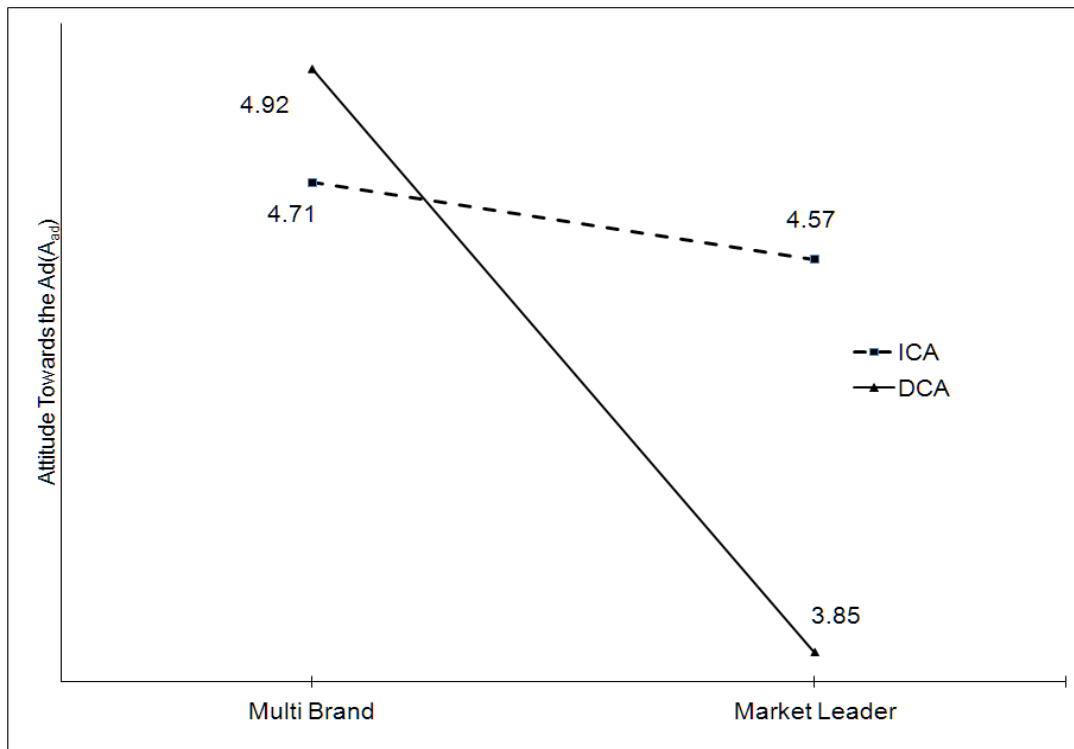
*Figure 2: ATTITUDE-TOWARD-THE-AD (A_ad)*

**TABLE 2: SUMMARY OF THE RESULTS**

| Hyp. | Dependent Variables | Independent Variables | P | Results |
|------|---------------------|----------------------|---|---------|
| H1 | Perceived Manipulative Intent (Fig. 1) | Comparison Format (Direct & Indirect) X Comparison Strategy ('Market Leader' & 'Multi-Brand') | .034** | Supported |
| H2 | Attitude-toward-the-Ad (Fig. 2) | | .031** | Supported |

Note: *- significant at $p < .10$; **- significant at $p < .05$

more positively. To the best of our knowledge, this study is one of the first to investigate the positive effects of using 'multi-brand' comparisons. This is especially relevant since most comparative advertising uses 'multi-brand' comparisons (Kalro et al. 2010) while most extant research concerns itself with 'market leader' comparisons.

Managerially, our research brings to light practical implications for advertising executives. This study demonstrates that if advertisers wish to use explicit comparisons, then they will find it advantageous to use the 'multi-brand' comparison strategy rather than comparing against the market leader. Often, markets are fragmented (e.g. the car market in several parts of the world) and in such scenarios, it makes sense to target multiple competitors. In other words, our research suggests that the advertiser use 'multi-brand' comparisons directly. In case they need to target a market leader, they must do so indirectly. Also, many advertisers may have distinct styles and philosophies. Some would prefer to use direct over indirect comparisons. In this case, they may target multiple brands and not the market leader alone. In case advertisers have a bias for indirect comparison ads, they may target the market leader and not multiple brands. Thus, our research shows the conditions under which advertisers may use direct/indirect comparisons and/or market leader/ multi brand comparison strategies.

In summary, our research has significant theoretical and managerial contributions.

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# Consumer Loan Decisions Regarding Utilitarian and Hedonic Durable Goods

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## ABSTRACT

This paper investigates how product type and interest rate as well as consumer expertise in loans and attitudes towards debt, influence preferences for down payments in the context of loan decisions. Experimental findings suggest a preference for loans for utilitarian over hedonic goods and moderating effects of expertise.

## EXTENDED ABSTRACT

The present paper investigates how extrinsic attributes, such as product type, interest rate (APR) as well as consumer intrinsic characteristics, such as expertise in consumer loan and attitude towards debt, influence consumer preferences for down payments in the context of loan decisions.

## LITERATURE REVIEW, THEORY AND HYPOTHESES

Installment selling has been a popular marketing practice and nowadays offering installment credit has been widely adopted by retailers selling durable goods. In the literature on consumer loan decisions two issues have however remained unsolved. Would consumer loan decisions differ across utilitarian and hedonic goods? And is the promotion of "no deposit" effective in persuading consumers to take up loans.

Previous research suggests that products can be classified as either hedonic products or utilitarian products (Batra and Ahtola 1991; Mano and Oliver 1993). Compared to utilitarian goods, consumption of hedonic goods is more associated with feelings of guilt and responsibility (Kivetz and Simonson 2002a, b; Lascu 1991; Strahilevitz and Myers 1998). A central idea in the behavioral literature about hedonic and utilitarian products is that, partly due to the guilt association, it is more difficult to justify the spending on hedonic goods and relatively easier to justify the spending on utilitarian goods (e.g., Okada 2005).

Also, Prelec and Loewenstein (1998) suggest that consumers are prone to coupling payments (costs) to consumption (benefits) by using debts, however this "coupling" is less likely to occur if the consumption itself cannot easily be justified, as tends to be the case with hedonic products. Extant literature shows that consumers try to maintain a sense of accountability and hence only succumb to temptations as long as they can somehow justify that decision (Kunda 1990). They will not knowingly select tempting alternatives when such a choice contradicts a more justifiable course of action (Hsee 1996). Thus consumers are expected less willing to borrow or take up loans for pursuing hedonism.

In addition, Okada (2005) empirically indicates that people are willing to pay more in time for hedonic goods and pay extra money for utilitarian goods. These findings exactly predict the trend to postpone purchases of hedonic products until the money is saved, and to bring forward purchases of utilitarian products by borrowing, even though this incurs interest charges. Therefore an installment plan with a greater focus on consumption than on payments will be more consistent with a consumer's motivation to buy utilitarian products than with a motivation to buy hedonic products. We thus predict that consumers will prefer to take up loans to finance purchases of utilitarian goods over purchases of hedonic goods.

An installment loan can take many forms by varying attributes such as APR, loan duration, monthly repayment and down payment, allowing consumers to establish their preferences for installment plans (Ranyard and Craig 1995; Ranyar, Hinkley, Williamson and McHugh 2006). In terms of evaluations of various loan attributes, a conjoint study into consumer choices of automobile loans showed that loans with low interest rates, moderate contract lengths, high rebates and moderate down payments are preferred (Wonder, Wilhelm, and Fewings 2008). Because APR indicates the borrowing cost associated with the installment loan, consumers should always prefer a lower APR over a higher APR. The down payment (or deposit), is the initial upfront portion of the total amount due and it is usually paid in cash in installment buying. For consumers, the down payment may be perceived as an obligation but on the other hand, involves no borrowing cost since it is paid at the point of purchase. From a temporal discounting perspective, people will prefer options with low immediate costs such as down payments. However, the higher the down payment, the less interest will be charged on the outstanding balance, leading to a lower total cost. If the APR is fixed and

is at a low level (e.g., close to 0%), a loan requiring a lower down payment and a loan requiring a higher down payment are nearly invariant in terms of the borrowing cost and total cost. If the APR is higher however, a loan with a lower down payment incurs a higher borrowing cost and a higher total cost, compared to a loan with a higher down payment. Consumers are therefore expected to prefer a higher down payment when APR is high, whereas prefer a lower down payment when APR is low.

Prior research shows that the expertise that consumers have in that particular problem solving situation would impact their judgments and decisions (Soman and Cheema, 2002). In the context of loan decisions, experienced consumers should be more aware of the incremental difference in the borrowing cost and total cost associated with increases in APR, such that they are more likely to shift their attention from mitigating the immediate pain of paying to minimizing the total financial loss, by paying a higher amount as a down payment, if possible. We thus predict that individual's expertise in consumer loan moderates the effect of APR (low vs. high) on the preference for loan down payments.

With respect to the relationship between consumer loan evaluations and product type, Kamleitner and Kirchler (2006)'s qualitative work has shown that shorter installment plans are often used for hedonic goods, such as vacation and TV, whereas longer loans are mainly taken for utilitarian goods such as furniture. From the perspective of financial loss, there is a similarity between a long-term loan and a loan with a lower down payment, in that both incur higher borrowing costs and total costs, relative to a short-term loan and a loan with higher down payment. Also, similar to our prediction that consumers are less likely to utilize loans to finance purchases of hedonic products, they will also be more likely settle the debt early on a hedonic product than on a utilitarian product, even if they have to borrow. Thus consumers are expected to prefer a loan with a higher down payment when financing hedonic durable goods while they prefer a loan with a lower down payment when financing utilitarian goods.

## APPROACH, FINDINGS AND DISCUSSION

Two experiments were conducted. For study 1, a random sample of 85 undergraduate students completed an on-line survey in exchange for course credit. The experiment employed a single factor design that adapted Hirst, Joyce and Schadewald (1994)'s approach in which subjects were asked to assume they decide to buy a car for work use (utilitarian) as well as a sail boat for recreation (hedonic) simultaneously. The two goods were priced the same and it had to be assumed a bank had approved a loan to finance the purchases. The subjects then were asked to identify the purpose of the loan. As predicted, the majority of subjects (89%) identified the car for work use as the purpose of the loan.

Study 2 was a laboratory experiment that employed a 2 (high APR vs. low APR) x 2 (utilitarian product vs. hedonic product) between-subjects design. Subjects were 156 undergraduate students who completed the survey in exchange for course credit. Subjects were asked to assume they had decided to take up a loan to finance the purchase of a set of furniture (vs. a home theatre system) under APR at 3% (vs. APR at 15%). They then indicated their willingness-to-pay (WTP) the down payment for the loan. Individual difference variables, such as expertise in consumer loan (Soman and Cheema, 2002) and attitude towards debt (Davies and Lea 1995) were measured. The results suggest that people who reported having more expertise in consumer loan are willing to pay a higher down payment when APR is high than those who reported themselves as having less expertise, while there is no significant difference in terms of WTP the down payment between people with more expertise in consumer loan and people with less expertise when APR is low.

Findings of the present paper extend the literature on mental accounting and debt use by empirically testing the effects of product type on consumer loan decisions. The difference in purchase behaviors for hedonic and utilitarian products depends largely on the justification of consumption. Thus the temptation of using installment credit may be lower for purchases of hedonic products than for purchases of utilitarian products. More importantly, our findings contribute to clarifying the relationships between consumer intrinsic characteristics, extrinsic product attributes and loan decisions by revealing the moderating effect of attitudes towards debt on product type and preferred down payment. Furthermore, by providing a better understanding of the moderating role of individual's expertise in APR and preferred down payment, this paper not only contributes to the research on consumer loan decisions but also to how consumer knowledge accounts for loan decisions. Consumers should be better educated to increase their

financial awareness to avoid unnecessary loss due to indebtedness.

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# Conceptual Coherence of Print Advertisements: Effects of Brand Knowledge, Cognitive Resources and Emotion

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## ABSTRACT

The research examines conceptual coherence of print advertisements considering brand knowledge, cognitive resources and emotions. The theoretical background are theories of conceptual coherence. Results show the significance of knowledge of the brand (referring to private theories) and cognitive resources (integrative processes) in perceived coherence of advertisements. Relationships between ads' coherence and emotions are explained.

The research examines conceptual coherence of print advertisements considering brand knowledge, cognitive resources and emotions. Coherent construction is one of the most important determinants of the effectiveness of the advertisement. Effects of information congruency vs. incongruency have been investigated in several empirical studies but the results are inconsistent (e.g. Dahlén et al. 2008 vs. Ratneshwar and Shocker 1991). Discrepant results seem to stem from different approaches to this problem. Incongruency resulted in better evaluation and memory of an ad or product when (in)congruency between different marketing objects was investigated (e.g. ad-brand, product-celebrity, ad-magazine). However, research in which (in)congruency within the advertisement or other marketing objects was investigated, shows that congruent objects are better remembered and evaluated.

Brand knowledge is a first determinant of the coherence of an advertisement we investigated. According to Murphy and Medin (1985) conceptual coherence is determined by 'private theories'. Consumer's experiences with the brand, information about the brand coming from different sources, create a 'private theory' of the brand in the consumer's mind. This knowledge of the brand ('theory') includes pieces of information and expectations of the brand, and determines in which way elements of an advertisement for the given brand are organized in the consumer's mind. Thus, we can hypothesize that advertisements compatible with expectations are perceived as more coherent than ads which are incompatible with expectations.

Second, research on a learned helplessness syndrome has shown that in the state of cognitive exhaustion (i.e. in the state of helplessness) constructive and integrative mental processing is impaired (Sedek and Kofta 1990; Sedek, Brzezicka and von Hecker 2010; McIntosh et al. 2005). Cognitive deficits might affect consumers' experiences and decisions. Experience with different companies, brands, products could be a kind of helplessness training, especially if information is inconsistent and comes from different sources. Thus, a coherence of advertisements can be determined by cognitive resources.

Third, we assume that a coherent advertisement acquires the features of a 'good figure' (according to Gestalt psychology) or prototype in which separate elements are tightly linked together. 'Good figures' or prototypes elicit positive affect (Winkielman et al. 2006). Effects of coherence on affective reactions have been investigated in the area of consumer research. Kocher, Czellar and Usunier (2006) showed that a perceived 'brand name-logo' coherence results in more positive brand attitudes. In this sense coherent ads are expected to elicit positive emotions.

In two experiments two series of print advertisements for mobile phone brands were used: compatible and incompatible with private theory about the brand. We used the Play brand, which is connected in consumers' mind with a controversy and the Era brand, which is not connected with it. Thus, controversial ads are compatible with the knowledge and expectations for the Play brand because this way of communication is characteristic for this brand. However, controversial ads are incompatible with the knowledge and expectations for the Era brand because this is not a typical way for this brand to communicate. In each study 78 individuals participated. Before viewing the ads half of them were given ten solvable problems (a control group), whereas other participants received ten unsolvable tasks (a helplessness training group). At the end all participants filled the Emotional Network Scale. The conceptual coherence of ads was measured with the affinity index, the method introduced by Kleine and Kernan (1988). Affinities were derived from continued-association tasks. The affinity index value for each pair of elements in each ad was a measure of the conceptual coherence of the ads.

Results showed that advertisements compatible with the private theory about the brand are perceived as more coherent than ads which are incompatible with the private theory about the brand. An advertisement compatible with brand expectations activates a schema – a representation of the brand ('private theory'). Referring to the theory of conceptual coherence (Murphy and Medin 1985) one can say that knowledge of the brand like 'theory' joins together elements of the advertisement in the consumer's mind. These results suggest some practical implications for media communication. To strengthen the coherence of an advertisement, marketers should create messages compatible with consumers' brand knowledge. A coherent advertisement, embedded in brand knowledge, can be better remembered. The same, such ad can also facilitate building a coherent brand image in consumers' minds.

Furthermore, the research revealed that the more coherent an advertisement, the more positive emotions it elicits. Thus, creating a coherent advertisement not only facilitates its remembering but also ensures that an ad elicits positive emotions.

It was found that particular elements of the advertisement are perceived as less coherent in consumers with lower cognitive resources, as compared to consumers with higher cognitive resources. Thus, a coherence of advertisements is determined by consumer's cognitive resources. One can refer to the cognitive model of helplessness (Sedek and Kofta 1990), according to which in the state of cognitive exhaustion, constructive and integrative mental processing are impaired. This means that tasks which require the integration of partial information into coherent mental representation are impaired. Thus, a consumer with limited cognitive resources can have difficulties in coping with a congestion of information in marketing communication.

## CONCEPTUAL COHERENCE OF PRINT ADVERTISEMENTS: EFFECTS OF BRAND KNOWLEDGE, COGNITIVE RESOURCES AND EMOTION

To build coherent marketing communication is a challenge to marketers. Consumers receive information about different products from different sources, for example from internet, the press, TV, or advertisements. Pieces of information about specific products or brands are often conflicting and contradictory. One of the most important determinants of the effectiveness of the advertisement is its coherent construction.

Effects of information congruency versus incongruency in advertisements have been investigated in several empirical studies but the results are inconclusive. Some studies show that a context congruent with the advertisement enhances ad's effectiveness, facilitates its processing and increases evaluation of the ad (Dahlén et al., 2008; Dahlén et al., 2005; De Pelsmacker et al., 2002; Moorman et al., 2002; Yi, 1990a, Yi, 1990b). On the other hand, some research shows that advertisements placed in an incongruent context are better remembered, attract more attention and are found to be more interesting (Dahlén et al., 2008, De Pelsmacker et al., 2002). However, it is worth noting that these effects refer to the (in)congruency between different marketing objects, for example ad-brand, ad-magazine, or ad-TV program (e.g., an ad of body milk in a garden magazine). However, research in which (in)congruency within the advertisement or other marketing objects was investigated shows that congruent objects are better-remembered and evaluated (e.g. a rally driver presenting a sports car) (Grochowska and Falkowski 2010a). Incongruent objects are classified to the other category and it is hard to remember them. For example, Nedungadi and Hutchinson (1985) found that products classified into categories where they did not fit 'naturally' had more in common with contrasting categories and were far less typical, resulting in poor associations with the category concept and poor recall. Heckler and Childers (1992) found that unexpected and relevant information in the advertisement was remembered better than unexpected and irrelevant. One can say that relevant information is associated with the content of advertisement and is perceived as an integral part of an ad. In our research coherence within the print advertisement (i.e. coherence between its elements, such as brand name, photograph, headline, brand claims) and its crucial determinants are examined. The topic is significant since if these elements are incoherent, incongruity may occur at the brand association level (Keller 1993; Kocher, Czellar and Usunier 2006).

The goal of our research is to investigate the role of three determinants of the coherence of an advertisement: knowledge of the brand (referring to private theories), lack of cognitive resources, understood as a learned helplessness syndrome and emotion. First, according to theories of concepts, conceptual coherence is determined by 'private

theories' about the world (Murphy and Medin 1985). Therefore, knowledge of the brand (consumers' 'private theories' of the brand) can modify the coherence of an advertisement. Second, research on a learned helplessness syndrome has shown that in the state of cognitive exhaustion (i.e. in the state of helplessness) constructive and integrative mental processing are impaired (McIntosh et al. 2005; Sedek, Brzezicka and von Hecker 2010; Sedek and Kofta 1990). These deficits concern mainly tasks which require the integration of partial information into coherent mental representations. Thus, a coherence of advertisements can be determined by cognitive resources. Third, we assume that a coherent advertisement acquires the features of a 'good figure' (according to Gestalt psychology) or prototype in which separate elements are tightly linked together. 'Good figures' or prototypes elicit positive affect (Winkielman et al. 2006). In this sense coherent ads are expected to elicit positive emotions.

## THEORETICAL BACKGROUND
### Conceptual Coherence of Ads and Knowledge of the Brand

One of the crucial theories explaining what makes a category seem coherent is Murphy and Medin's (1985) theory of conceptual coherence: Similarity of category members, correlated attributes, and knowledge about the word ('private theories'), as well as needs, goals are determinants of conceptual coherence. According to Murphy and Medin (1985) 'conceptual coherence derives from having a theory': representations of concepts are thought to be embedded in knowledge that embodies theories about the world. The importance of theories for conceptual coherence has also been raised in Medin (1989), and Margolis (1999) studies. Both authors provide additional evidence that concepts are organized around theories. In this theoretical context, we investigate what is the role of knowledge of the brand in making an advertisement coherent. In the marketing domain the conceptual coherence has been developing around the brand image. Lau and Phau (2007) carried out the research which showed that the mediating role of brand image fit between brand personality fit and dilution of brand affect is explained by using conceptual coherence theory.

Thus, conceptual coherence is determined by 'private theories'. Consumer's experiences with the brand, information about the brand coming from different sources, creates a 'private theory' of the brand in the consumer's mind. This knowledge of the brand ('theory') includes pieces of information and expectations of the brand, and determines in which way elements of an advertisement for the given brand are organized in the consumer's mind. Research shows that elements of ads for familiar brands (about which brand knowledge is well developed) are perceived as more coherent, as compared to elements of ads for unfamiliar brands (Grochowska and Falkowski 2010a). Specific knowledge of the brand determines how the coherence of its advertisement is perceived. For example, if knowledge (a 'private theory') of a given brand includes such elements (associations) as 'modern' and 'progressive', then an advertisement referring to modernity should be perceived as more coherent than an ad emphasizing tradition and conservatism. The first ad is in accordance with (and the second ad in opposition to) consumers' knowledge of the brand. Thus, one can expect that advertisements which are compatible with expectations, i.e. are in accordance with a 'private theory' of the brand are perceived as more coherent than ads which are not embedded in a 'private theory' (knowledge) of the brand.

Furthermore, knowledge of the brand creates an associative network (Keller 1993) and is embedded in an associative network of memory (Anderson 1983; McClelland 1995). Similarly, elements of an advertisement are linked together in an associative network of memory (and brand). Therefore, a coherence of print advertisement can be defined by the amount of similar associations provided by particular elements of an advertisement. These associations and their strength result from the knowledge about the brand. This means that the greater amount of similar associations between particular elements of the advertisement, the more coherent it is (Grochowska and Falkowski 2010). Knowledge of the brand (private theory) determines a conceptual coherence of the advertisement for this brand. Thus, we can hypothesize that:H1: Advertisements which are compatible with expectations (embedded in private theories of the brand) are perceived as more coherent than ads which are incompatible with expectations. Brand knowledge facilitates eliciting more similar associations to particular elements of the advertisement.

### Conceptual Coherence of Ads and Cognitive Resources

Not only brand knowledge but also adequate cognitive

resources are required to process an advertisement and to integrate its elements into a coherent whole. An advertisement whose elements are not congruent with the brand knowledge is more difficult to process, thus requiring more processing resources, particularly for resolving this incongruency (Meyers-Levy and Tybout 1989). Mechanisms of impaired cognitive resources have been investigated in individuals with learned helplessness syndrome. Prolonged deprivation of control led to a number of changes in human behavior called the learned helplessness syndrome (Hiroto and Seligman 1975; Maier and Seligman 1976; Seligman 1975). This consists of motivation decline to solve a problem (motivational deficit), depressed mood and a tendency to experience negative emotions (emotional deficit), and finally, difficulties in learning effective reactions (cognitive deficits) (Seligman 1975).

According to the cognitive model of helplessness (Sedek and Kofta 1990), in an uncontrollable situation people engage in intensive but unsuccessful cognitive work. Meaningless cognitive involvement leads to the state of cognitive exhaustion in which constructive and integrative mental processing are impaired (McIntosh, et al. 2005; Sedek et al. 2010; Sedek and Kofta 1990; Sedek, Kofta and Tyszka 1993). As a consequence, the global impairment in the performance of new tasks can be observed. Such adverse consequences are likely to occur in tasks that are complex and cognitively demanding, while the performance of simple tasks remains unchanged (Sedek et al 2010; Sedek and Kofta 1990). Deficits concern mainly tasks which require the integration of partial information into coherent mental representations. Harris and Highlen (1982) show relationships between helplessness and conceptual complexity. In their research, conceptually complex participants (with higher capacity to integrate stimulus input) were more resistant to the helplessness training in comparison to conceptually simple participants. Thus, we can expect that in 'cognitively exhausted' consumers (i.e. in the state of learned helplessness) the integration of particular elements of the advertisement into a coherent whole is impaired.

Cognitive deficits in the functioning of helpless people, identified above, might also affect their consumer experiences and decisions. Experience with different companies, brands, products, and lots of information about them coming from different sources, often inconsistent, could be a kind of helplessness training. A consumer plunged into helplessness, as a result of inconsistent activities undertaken by some companies or as a result of receiving conflicting and contradictory information about specific products or brands, may have difficulties in processing the numerous, complex and ambiguous marketing stimuli. Furthermore, a feeling of helplessness appears in a consumer's life and attempts to control it are made. There are a growing number of studies conducted on customer dissatisfaction from products or services offered by companies and complaints submitted by clients. The issue of helplessness is increasingly considered in this context (Gelbrich 2009; Krishnan 2010; La Forge 1989; Sharad and Hardik 2008; Wells and Stafford 1995). However, in the marketing area, there is a gap in the research on the way in which persuasive messages are processed by helpless consumers. Thus, an investigation of mechanisms supporting the processing of advertisements in low resources conditions becomes very important.

H 2: Particular elements of the advertisement are perceived as less coherent in consumers with lower cognitive resources (helpless), as compared to consumers with higher cognitive resources (controls): There are less similar associations provided by particular elements of an advertisement in helpless consumers than controls.

## Conceptual Coherence of Advertisements and Emotion

According to Gestalt psychology or the prototype theory of concepts, a coherent advertisement refers to the cognitive schema that is well established in memory. In this sense a coherent ad acquires the ideal features of a 'good figure' or prototype in which separate elements are tightly linked together. Clayton and Frey (1996) showed that 'good figures' are perceived and remembered easier than distorted ones. Furthermore, it has been found that people tend to prefer highly prototypical stimuli. Prototypicality preference results from more general mechanisms - fluent processing of prototypes and preference for fluently processed stimuli. Moreover, viewing prototypes elicit positive affective reactions (Winkielman et al. 2006). Effects of coherence on affective reactions have been investigated in the area of consumer research. The results of Veryzer and Hutchinson (1998) experiments provided evidence that unity and prototypicality, as important visual aspects of product design, positively affect aesthetic response. Kocher, Czellar and Usunier (2006) showed that a perceived 'brand name-logo' coherence results

in more positive brand attitudes. It has also been found that musical congruency in advertising has a positive effect on attitude toward the ad and the brand (Galan 2009). Thus, one may expect relationships between an ad's coherence and emotional reactions. H 3: The more coherent an advertisement, the more positive emotional reactions it elicits.

## METHOD

### Participants

One hundred and fifty-six undergraduates aged 19-40 (M = 23.14) participated in the two experiments. In each study 78 individuals participated. Participants were volunteers, from universities and colleges.

### Experimental Design

In experiment 1 advertisements compatible with expectations for the brand, and in experiment 2 ads incompatible with expectations for the brand were used. In each experiment a 3 x 2 between-subjects design was used: advertisements (positive, negative, neutral) and cognitive resources (lower in helpless participants and higher in controls). Thus, there were 12 experimental conditions in total.

### Materials

Stimuli. Two series of print advertisements were used: 1) compatible with private theory about the brand: three ads of Play mobile phone brand and 2) incompatible with private theory about the brand: three ads of Era mobile phone brand. The Play brand is an example of brands built on controversy. It appeared on the market with shocking advertisements visible in all media (television, newspaper, billboard, radio). Silhouettes of naked couples, children drinking alcohol, dogs in shelters or a hand with cut off fingers were used in Play advertisements. Socially unacceptable issues were touched upon, like in advertisements of the fashion brand – Benetton (for example a priest kissing a nun). It can be assumed that controversy has been built into the private theories of Play advertisements and the Play brand. Therefore, consumers can expect from Play shocking controversial messages, in contrast to the Era brand, which does not use controversy in its communication. Era is the brand using monotonous messages, sometimes even boring. In consumers' opinion it seems to be a stable brand and not very interesting. Thus, controversial ads are compatible with the knowledge and expectations for the Play brand

because this way of communication is characteristic for this brand. However, controversial ads are incompatible with the knowledge and expectations for the Era brand because this is not a typical way for this brand to communicate.

Each series consisted of three ads, two controversial and one neutral. A controversial advertisement requires from consumers a high cognitive effort. It is usually complex and contains a cognitive ambiguity which means a double message, both in cognitive and emotional aspect. For these reasons, helpless people should have difficulties in processing such messages. According to the definition above a controversy in advertisements used in the study means that particular elements of the ads are contradictory to each other cognitively and emotionally (the positive controversy: an obese ballerina raised lightly into the air by a lean ballet master versus the negative controversy: a finger sticking out of a mouth instead of a tongue). The neutral advertisement does not contain those contradictions and depicts a man on the balcony of a skyscraper.

The ads are original messages from different Play campaigns. They contain most of the elements listed by Keller (1987): photography, brand name and headline. Advertisements of Era were prepared analogously to the Play advertisements. They contain exactly the same elements as the Play ads. The only difference is the brand name ('Play' has been replaced with 'Era') and features of the brand (colors and shapes of fonts typical for Play have been replaced with colors and shapes of fonts characteristic to Era). Helplessness training by Sedek and Kofta (1990) was used as a control deprivation method. It was adapted by the authors according to the training used previously in the studies of learned helplessness (Hiroto and Seligman 1975). Participants performed ten discrimination problems with 8 trials for each problem. Every trial was a combination of five dimensions: size of the figure (small or large), shape of the figure (triangle or circle), color of the figure (light or dark), position of line (at the top or bottom of the figure) and size of the letter 'r' in the middle of the figure (small or large). The participant's task was to discover the figure feature from the ten possibilities listed above. In every trial, participants were informed if the feature they were looking for is in this trial. After seeing the eight trials, they were asked to give the correct answer (for example: a triangle figure). In the control group participants were given ten solvable

problems, whereas in the experimental condition participants received ten unsolvable tasks.

The Emotional Network Scale was used to measure emotions elicited by the advertisement. The construction of the scale was inspired by Burke and Edell's (1989) 'The Feelings Scale'. The categorical and network structure of emotions constituted the theoretical background for the Emotional Network Scale. Multidimensional scaling methods were applied to establish the network structure of emotions. There were 13 and 8 items for positive and negative emotions, respectively. Psychometric properties of the scale were published by Falkowski and Grochowska (2009). Participants marked their answers on the seven-point Likert scale. The index of emotions elicited by the ad was the difference between positive and negative emotions (net-affect).

## PROCEDURE

Participants took part in the training phase. They solved 10 discrimination problems (solvable or unsolvable depending on the experimental condition). Then, they were asked to generate as many response words (associations) as they could in one minute, for each of the three elements of the advertisement (photograph, brand name, headline). This way, instructions referred to participants' 'private theories' of the advertisement, and associations essential for the advertisement were activated. The participants were asked to list their associations in the order that first came to mind. Each participant viewed one advertisement. Additionally, particular elements of the ad were presented on an instruction sheet. Finally, the Emotional Network Scale was filled and control questions were asked regarding participants' knowledge of advertising and the given brand.

## RESULTS

### Affinity Index as a Measure of Conceptual Coherence of the Print Advertisement

The strength of associations between particular elements of an advertisement was measured with the affinity index. The method of continued associations (Szalay and Deese 1978) provides a foundation from which to build such a measure. Affinities were derived from continued-association tasks. The affinity index value for each pair of elements in each ad was a measure of the conceptual coherence of the advertisement. Kleine and Kernan's (1988) methodology of measuring 'consumption objects meaning' has been applied to the analysis of the conceptual coherence of print advertisement. Affinity refers to the degree to which people see relations of any sort between any two stimuli and is operationalized as the amount of overlap between two response lists (the number of associations two objects have in common). Associations were generated to pictorial as well as verbal elements of the advertisement: all these elements constitute the advertisement and are perceived as a whole. Response words (associations) generated by participants were classified to particular semantic categories. For example, the associations 'obese ballerina' and 'fat ballerina' for the photograph of the Ballerina advertisement could be classified into the same category. These associations which first come to mind are the most readily available in memory and the most important for a subject. Since a participant's first responses are assumed to be more dominant (i.e., salient), each response is assigned a dominance score that is a measure of its relative salience. These scores were assigned according to Szalay and Deese's (1978) method: 6 to the first response produced by a participant, 5 to the second response, 4 to the third response, 3 to the fourth through seventh responses, 2 to the eighth and ninth responses, and 1 to each subsequent response. Dominance scores for common responses were summed up across subjects, for each element of the advertisement. This way, three lists of associations were prepared; one list for one element of the advertisement: for the photograph, brand name and headline. The sums of dominance scores for each element of the advertisement (diagonal values) were used for calculating the affinity index. Calculation of the inter-object affinity index involves summing up the dominance scores across the overlapping elements and across stimuli. This total is then divided by the sum of the total dominance scores of the objects being compared. The resulting index value is the proportion of the combined total dominance scores accounted for by the affinial relations. The index values could vary between 0 and 1 and increases in value as inter-object affinity increases. An example of affinity index between elements of the Era Ballerina advertisement for control participants is presented in figure 1.

## GROUP

The sum of the similarities for each of the three pairs of the ad's elements was an index of the conceptual coherence of the advertisement. For example, an index of coherence for the Era Ballerina advertisement in the control group was:

.117 + .285 + .257 = .659

The higher value of the index, the more

| | Photograph | Brand name | Headline |
|---|---|---|---|
| Photograph | 321* | | |
| Brand name | 0.117 | 311* | |
| Headline | 0.285 | 0.257 | 297* |

* diagonal values; a) affinity index values

**FIGURE 1. AFFINITY INDEX BETWEEN ELEMENTS OF THE ERA BALLERINA ADVERTISEMENT FOR THE CONTROL**

coherent the advertisement is.

Conceptual Coherence and Knowledge of the Brand
According to the method described above, affinity index was measured for each advertisement. The results are shown in figure 2. The indices of similarity for all advertisements compatible with the private theory about the brand (Play) and for all advertisements incompatible with the private theory about the brand (Era) are presented in part A. Results for separate advertisements (positive, neutral and negative) are placed in part B.

**FIGURE 2. PRIVATE THEORY AND THE COHERENCE OF AN ADVERTISEMENT**

The results support hypothesis 1. Advertisements compatible with the private theory about the brand (Play) are perceived as more coherent (M = .788) than ads which are incompatible with the private theory about the brand (Era) (M = .688). The results were obtained for the 'ballerina' and 'tongue' advertisements which are controversial ads typical for the Play brand. For the 'skyscraper' advertisement there was only a slight difference in coherence perception. This is a neutral ad which is not embedded in the private theory about the Play brand. A slight reversal of the effect may be due to the fact that the neutral message fits even better with knowledge about the Era brand than the Play brand. Although layouts of ads compatible and incompatible with the private theory about the brand were very similar, there were salient differences in the perceived coherence of ads. An advertisement compatible with brand expectations activates a schema – a representation of the brand ('private theory'). An associative network is well developed and readily accessible in memory, when an advertisement is in accordance with brand knowledge. Referring to the theory of conceptual coherence (Murphy and Medin 1985) one can say that knowledge of the brand like 'theory' joins together elements of the advertisement

in the consumer's mind.

**Conceptual Coherence of Ads and Cognitive Resources**

The indices of similarity were measured for participants who solved solvable tasks (S) and unsolvable tasks (U). The results are presented in figure 3. Means of affinity index for all helplessness training groups (U) and for all control groups (S) are shown in part A. Results for groups watching different advertisements (positive, neutral and negative) are placed in part B.

**FIGURE 3. LEARNED HELPLESSNESS AND THE COHERENCE OF AN ADVERTISEMENT**

The results support hypothesis 2. Participants who solved unsolvable tasks (have lower cognitive resources) perceive the advertisements as less coherent (M = .639) than participants who were given solvable tasks (have higher cognitive resources) (M = .838). The results were obtained for all advertisements. In figure 3 it is also shown that the highest coherence score was noted for the positive advertisement ('ballerina'), lower for the neutral ad ('skyscraper') and the lowest for the negative ad ('tongue').

According to hypothesis 2, consumers with limited cognitive resources have difficulties in integrating particular elements of an advertisement into a coherent whole. Disintegration is greater for the controversial ads, which require more cognitive resources than the neutral one. Consumers who are not helpless form more associations between the particular elements of an advertisement. In terms of theories of concepts, an advertisement as a category is better integrated in their mind. Moreover, emotions play a role in the perception of an ad's coherence. A positive message facilitates an ad integration and a negative message reduces it.

Conceptual Coherence and Emotions Elicited by Ads
To examine further relationships between conceptual coherence and emotions elicited by the advertisement

a correlation analysis was conducted. The analysis includes results of the Emotional Network Scale and affinity index values for 12 conditions (Play-Era x solvable-unsolvable tasks x positive-negative-neutral advertisement). Spearman's rank correlation coefficient between coherence and positive emotions was calculated: $r = 0.57$; $p = .051$. The more coherent an advertisement was, the more positive emotions it elicited (figure 4). The results support hypothesis 3.

## FIGURE 4. POSITIVE EMOTIONS AND THE COHERENCE OF AN ADVERTISEMENT

A coherent advertisement acquires the features of a 'good figure' or prototype in which separate elements are tightly linked together. Previous research has shown that prototypes elicit positive affective reactions (Veryzer and Hutchinson 1998; Winkielman et al. 2006). It has also been found that congruency in advertising has a positive effect on attitude toward the ad and the brand (Galan 2009; Kocher, Czellar and Usunier 2006). The results obtained in our experiments show that coherent advertisements, just as prototypes, are easily (fluently) processed and elicit positive emotions.

## CONCLUSIONS

The goal of our research was to examine the role of three determinants of the coherence of an advertisement: knowledge of the brand (referring to private theories), lack of cognitive resources and emotion.

The obtained results show that advertisements which are compatible with expectations (embedded in private theories of the brand) are perceived as more coherent than ads which are incompatible with expectations. This means that brand knowledge facilitates eliciting more similar associations to particular elements of the advertisement. The results suggest some practical implications for media communication. To strengthen the coherence of an advertisement, marketers should create messages compatible with consumers' brand knowledge. A coherent advertisement, embedded in brand knowledge, can be better remembered (Grochowska and Falkowski 2010a; Heckler and Childers 1992). The same, such ad can also facilitate building a coherent brand image in consumers' minds.

Our research also shows that the more coherent an advertisement, the more positive emotions it elicits. Thus, creating a coherent advertisement not only facilitates its remembering but also ensures that an ad elicits positive emotions. This effect can be explained in the light of research on the fluency of information processing (Winkielman et al. 2006). Coherent advertisements, just as prototypes, are fluently processed and elicit positive emotions.

It has also been found that particular elements of the advertisement are perceived as less coherent in consumers with lower cognitive resources, as compared to consumers with higher cognitive resources. Thus, a coherence of advertisements is determined by consumer's cognitive resources. One can refer to the cognitive model of helplessness (Sedek and Kofta 1990), according to which in the state of cognitive exhaustion, constructive and integrative mental processing are impaired. This means that tasks which require the integration of partial information into coherent mental representation are impaired. Thus, a consumer with limited cognitive resources can have difficulties in coping with a congestion of information in marketing communication.

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# A Consumer Perspective on Cool

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Cool. This ubiquitous concept of popular culture motivates consumers and marketers and characterises social identity. Like its West African ancestry, contemporary cool is a state of being. It combines individuality and uniformity. Things are cool only by association with cool people.

Cool. The quality or condition of being cool; hipness, stylishness. (OED)
Across time and cultures, the concept of cool has mutated, maintaining only minute threads of consistency. Its various incarnations retain a notion of cool as imperturbable detachment. The concept of cool may have originated in West Africa where it has a deep spiritual connotation that has been lost in cool's popular consumer culture manifestations. Apparently, if your brand is cool, you've made it big, yet cool is ephemeral, by nature.

Despite some effort to help marketers capture cool for their brands, there has been little attention to the implications of cool for consumers. In particular, what are the costs for consumers of cool? Students in a consumer behaviour seminar wanted to learn about cool and what people sacrifice for the sake of cool.

The purpose of our research was to find out what young people perceive as the costs of cool. We used an item-elicitation method in which we asked people to bring an object or an image that represented their perception of cool and interviewed them in depth—about the artefact, what is cool and what they sacrifice for the sake of cool. We supplemented this with brief man-on-the-street interviews specifically about cool.

## THE CONCEPT OF COOL

What was cool differed across participants. Analyses led to two themes of the components of cool: individuality and community. Being a distinctive individual makes one cool. "I tried to be individual. ... because if everyone had the same thing, you're not kind of as cool." Whilst they expressed a strong desire to be different, participants wanted to be individual within a homogeneous group. "If you don't have any friends then you're obviously not very cool."

Participants mentioned celebrities and famous people (comparative reference groups) as influencing their perceptions of cool. Normative reference groups also influence cool perceptions. But, what was cool differed for everyone.

It seems that cool is a state characteristic of a person first and of objects second. Things become cool when they create distinction or communicate group membership. The things they talked about were cool because they communicated cool status, a state of being cool. These participants used material things to communicate publicly their individualism and community membership, which made them cool. Participants in our study overwhelmingly talked about publicly cool objects. This raises questions about the relationship between cool and materialism.

## COSTS OF COOL

Participants found it hard to articulate costs involved with cool. Most participants acknowledged, but downplayed, a monetary cost of purchasing their cool things. They recognised a time cost. It takes "time to prepare yourself; ... looking good takes time; cool is time." Primarily, it seems, the costs of cool are the opportunities missed by choosing. Several participants gave up desirable alternatives to get their cool things. For instance, Donna bought a cool jacket instead of socks. The cost of cool also is the opportunity cost of alternative social identities.

## CONCLUSION

The costs of cool are the alternatives one trades away when choosing goods, groups, and distinctive states. In the process of exploring the costs of cool, we learned much about the nature of cool. This study links cool with social identity. Being part of a group and being individualistic are both cool. Also, both are natural and fundamental aspects of social life. Like the social psychology literature, we lean towards the position that belonging to a group and being individualistic are not mutually exclusive activities.
A Consumer Perspective on Cool
Cool. noun. colloq. (orig. U.S.). The quality or condition of being cool; hipness, stylishness. adj. colloq. (orig. U.S.). Attractively shrewd or clever; sophisticated, stylish, classy; fashionable, up to date; sexually attractive. (OED)
Cool. The best way to say something is neat-o,

awesome, or swell. The phrase "cool" is very relaxed, never goes out of style, and people will never laugh at you for using it ... (Most popular definition at Urban dictionary.com)

The subject of this paper is 'cool,' the ubiquitous concept of popular culture that motivates both consumers and marketers. 'Cool' is remarkable for its longevity and mutability. Some sources cite the concept's use as early as the 15th century by Yoruba people of West Africa (Thompson 1973) and the 16th century by Shakespeare (OED). It is most commonly linked with early 20th century American jazz music.

Across time and cultures, the concept of cool has mutated, maintaining only minute threads of consistency. Scholars define it variously as an attitude (Pountain and Robins 2000; Nancarrow, Nancarrow and Page 2002; Bird and Tapp 2008), a personality trait (Pountain and Robins 2000), a state of being (Thompson 1973), and as a currency of cultural capital (Nancarrow et al. 2002; Bird and Tapp 2008). Its various incarnations retain some common semblance of cool as imperturbable detachment and distaste for mass culture (especially rejection of a dominant culture's moral values). The West African concept of cool has a deep spiritual connotation. It describes a condition of harmony with one's ideal self (Thompson 1973). African cool is a state of being tranquil, peaceful, imperturbable, and in sacred connection with ancestors (Thompson 1973). This is deeper and different from more recent connotations that attribute narcissistic and hedonistic leanings to cool (Pountain and Robins 2000). A requisite for insider knowledge gives cool its value as cultural capital (Nancarrow et al 2002).

Much of the literature focuses on how to harness cool for a marketer's benefit. Since the mid twentieth century, marketers have wanted to know how to profit from cool. Apparently, if your brand is cool, you've made it big, yet cool can be fleeting (Breckenfeld 2009; Ebenkamp 1999). The potential to benefit from cool sparked demand for 'coolhunters' who study the market to identify who's cool and what's cool (Gladwell 1997). Malcolm Gladwell studied coolhunters and determined three 'rules of cool.' First, cool is fleetingly dynamic. "The act of discovering what's cool is what causes cool to move on," (p. 2). Second, cool cannot be manufactured. Marketers cannot create cool or control cool. Marketers can only service the demand for cool. Finally, the third rule of cool is that only cool people can recognize cool. This suggests that cool is a

characteristic of a person first and of an object second – in context and by association with the cool person. There has been little attention to the implications of cool for consumers. In particular, what are the costs for consumers of cool? Students in a consumer behaviour seminar wanted to learn about what people sacrifice for the sake of cool. In the process, we learned that cool is a state of being that combines individuality and uniformity. Cool characterises one's social identity.

## PURPOSE AND METHOD

The purpose of our research was to understand cool and to find out what young people perceive as the costs of cool. A better understanding of the relationships between cool and consumption behaviour can be useful for the benefit of both consumers and marketers. Implementing an item-elicitation method, the students interviewed six people under 30 years old.[1] The two men and four women, aged between 17 an 29, were invited to bring a few items or images of things that represented their perception of 'cool.' We intended for the images/objects to get them to think about the concept of cool before the interview, help them communicate their perceptions, and provide a starting point for conversation (Harper 2000). One or two interviewers met with each volunteer at a convenient location and recorded the interview. The interviews were largely unstructured but eventually steered towards sacrifices for the sake of cool. Interviews lasted from 30 to 60 minutes. Later, the interviewers analyzed the transcripts for patterns, similarities, dissimilarities, and common themes. The analysis process involved reading and re-reading sections of the transcripts, highlighting statements that seemed pinnacle or insightful. When it became clear that we needed to know more about perceptions of cool in order to understand the cost of cool, the students conducted brief interviews with about thirty more people to clarify the contemporary meaning of cool. The analysis team assembled their selected statements for collaborative analysis to identify themes.

## RESULTS

Each participant brought at least one image or artefact to his or her interview. Images included cars (BWM and Ford), the Jonas Brothers, snowboarding, a magazine clipping showing current clothing trends, a photo of the ocean, a soccer stadium, and The All Blacks. Physical items included gold-rimmed aviator sunglasses and a Vogue magazine. Some participants

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1 We conducted the study in New Zealand because it is the coolest country we could think of and besides, we live there.

gave flippant or vague descriptions about how the images and artefacts represented cool, suggesting that they found it difficult to articulate their perceptions of cool. About the gold-rimmed aviators, for example, Alice said, "I like them, they are my favourite." Even throughout the interview, participants struggled to express any deeper meaning in the images and items. This is consistent with other research into cool (Breckenfeld 2009).

## THE CONCEPT OF COOL

Defining cool became an unavoidable and appropriate precursor to examining the costs of cool. What was cool differed across participants. However, we were able to figure out the composition of the concept. Analyses led to two themes of cool: individuality and community.

Individuality. Analysis indicated that being a distinctive individual makes one cool. Some participants began by saying that what was cool was what they liked and they didn't care what other people thought. The evidence suggests that they may actually care quite a bit about what people think; they want people to think they are unique and independent. "I tried to be individual. I tried to buy the style that was cool rather than the specific thing, because if everyone had the same thing, you're not kind of as cool. Say everyone had skinny jeans. Everyone wants skinny jeans, not the colour. So I would want skinny jeans that were in my own individual taste. I would want skinny jeans that look different to anyone else" (Alice).

Community. Whilst the desire to be different was strong, participants wished to be individualistic within a group. Associations with belonging were powerful. "If you don't have any friends then you're obviously not very cool, because people don't want to hang out with you" (Al). Our participants valued individuality within the social bonds of community. "You can be in a trend, but then you can add your own little bits like your scarf, your favourite vintage piece or something like that. ... You can add your own bit of flair to it" (Donna).

Simply feeling part of a community is cool. Mark explained why he thought snowboarding was cool.

"Just being a part of the snowboarding culture and sport and being able to spend your day mucking around on the snow doing whatever you want. And being around friends and mates that have the same interest as you and it gives you a good day out really."

A certain degree of social influence comes with valuing community. Participants mentioned celebrities and famous people (comparative reference groups) as influencing their perceptions of cool. "Umm celebrities would be a huge thing because they're always wearing designer outfits and out there in magazines. ... I'll see something on a celebrity and I'll try and match it with something in a local store, so you copy them so to speak. ... They could be wearing a tree for all I care, but it'd still be cool cause it's on the cat walk and someone's tagged a label to it" (Donna). Normative reference groups also influence cool perceptions. "Once mates started to go snowboarding, it motivated me to buy one as well so I could actually have someone to go with" (Mark).

What was cool differed for everyone. The things they talked about were cool because they communicated cool status, a state of being cool. These participants used material things to communicate publicly their individualism and community membership, which made them cool. They talked about a variety of things that seemed to relate cool more to 'being' than to 'having' or 'doing.' From this, we deduce that 'cool' is a state characteristic of a person. Cool is a state of belonging and a state of being that balances commonality and individuality. People also use the word to label objects that express their state of coolness.

## COSTS OF COOL

Participants found it hard to articulate costs involved with cool. Some dismissed the existence of any cost. Nonetheless, they did speak of costs in terms of money and time. In addition, analyses identified opportunity costs of cool.

Monetary cost of cool. Most participants acknowledged, but downplayed, a monetary cost of purchasing their cool things. Nicola said that her new BMW did not cost her anything other than money because she worked a lot anyway. Alice said she had budgeted for her cool new boots and therefore they cost her nothing. Generally, if a purchase did not eat into money essential for living, participants downplayed the monetary cost of their cool purchases. "I don't think I gave anything up. I had the money and it [the snowboard] was about $300 off the normal retail price so I just took it. It was a package deal so it worked out pretty sweet" (Mark).

Time cost of cool. Participants discussed time as a cost in relation to the time it takes to shop around for the perfect clothing item to achieve cool

and the time it takes to look cool before going out. It takes "time to prepare yourself, doing your hair; everything takes time; looking good takes time; cool is time," (Al).

Opportunity cost of cool. By affiliating with a particular group or community, a person foregoes the products and behaviours associated with other groups. Economists call this opportunity cost, what one gives up to get something else. Several participants gave up desirable alternatives to get their cool things. Alternatives sacrificed included personal clothing staples, time spent with others, and belonging to other groups. For instance, Donna bought a cool jacket instead of socks. Her mum had thrown out all her holey socks, so she really needed socks but she chose to buy the jacket everyone thought was cool. Al mentioned sacrificing hanging out with one person to go and see another. He referred to a girl from work who "will blow you off completely" if someone she thinks is cooler comes along. The cost of cool is the opportunity cost of alternative social identities.

## DISCUSSION

Our data suggest that cool is a state characteristic of a person. For our participants, it is cool to be a distinctive individual within a community. Cool is a state of belonging that balances commonality and individuality. In this aspect, we support the older African connotation of cool as a state of being (Thompson 1973) rather than its more recent conceptualisations as an attitude or a personality trait (Bird and Tapp 2008; Nancarrow, Nancarrow and Page 2002; Pountain and Robins 2000).

Although we view cool as a state of being, it shares only a few traits with the more complex West African concept of cool. In favouring distinction over conformity, cool expresses distaste for mass culture and ordinary values. The state of cool is elevated, somewhat better than everyone else. Like the intermediary mutations, today's cool lacks the complexity and spirituality of its ancestral meaning. The clearest connection with the original African concept is the link with one's ideal self. While contemporary cool may express a condition of achieved harmony with one's ideal self, it may equally express one's desired ideal self. People use material things to communicate their aspired group membership just as well as their actual group membership. Things become cool when they create distinction or communicate group membership. When the affiliation no longer suits a person's social

identity, the things become uncool (Shelton and Peters 2006).

This study links cool with social identity. Social identity is one's public identity, an extension of self beyond oneself (Brewer 1991; Kampmeier and Simon 2001). Brewer (1991) posits that the tension between human needs for validation (community) and for individuation produce social identity. According to recent reviews, the dual needs for individuality and community appear regularly in the social psychology literature with most authors viewing them as antagonistic and mutually exclusive (Kampmeier and Simon 2001). However, like our concept of cool, social identity accepts compatibility between group membership and individuality (Brewer 1991; Kampmeier and Simon 2001; Simmons 2008).

Being part of a group and being individualistic are both cool. Furthermore, belonging to a group can facilitate individualization (Kampmeier and Simon 2001) when it sets you apart from the masses who do not belong to that group. Kampmeier and Simon (1991) distinguished two components of individuality: independence and differentiation. Our participants expressed independence when they said they didn't care what other people think and when they personalised cool fashion trends. The act of personalising the dominant trend and norms in order to stand out from the crowd was a recurrent characteristic of cool. Simmons (2008) notes that the Internet enables customisation and helps consumers find both individualistic and communal brand experiences. This suggests a path for future research to explore relationships between being cool and using the Internet.

Participants in our study overwhelmingly talked about publicly cool objects. Thus, not only does our study link cool with individualism (Kampmeier and Simon 2001) and social identity (Brewer 1991), but also with materialism (Fitzmaurice and Comegys 2006; Richins 1994). It is cool to use goods to define oneself as a group member and to define oneself as an individual. Ownership conveys one's coolness. The same is said about materialism (Fitzmaurice and Comegys 2006). Hence, exploring links between cool and materialism could be a profitable direction for future research.

## CONCLUSION

In the process of exploring the costs of cool, we learned much about the nature of cool. Most importantly, we learned that the concept represents a state of being.

Cool is a state characteristic of a person first and of objects second. Thus, what things are cool may differ tremendously because cool is not embedded in the objects. People use publicly visible material things to signal their social identities, their personal states of coolness. Individuality and commonality (belonging to a group) are compatible components of cool. The costs of cool are the alternatives one trades away when choosing goods, groups, and distinctive states. Although we feel we have enlightened understanding about the contemporary meaning of cool and the costs of cool, we also acknowledge that we have raised many more questions in the process.

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# Category Theory and Confusion

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## ABSTRACT

As a result of a serendipitous research finding, the paper discusses the role of categories in relation to consumer behaviour, arguing that category influences have been sidelined in research and theory. The paper therefore calls for a revival of interest in category theory in relation to consumer behaviour.

## EXTENDED ABSTRACT

Alba (2011) suggests that serendipity can sometimes lead to interesting research findings, and this characterises the research for this paper. Whilst the aim of the research for this paper was to use interviews to examine whether brand personification (Hofstede et al. 2007) generates user imagery (a stereotypical brand user, Sirgy et al. 1997), serendipitous findings proved to be as interesting as the original purpose of the research. In the early stages of the research, it became apparent that there might be a problem in the research. In particular one interviewee explained that, they were not using the brand stimuli to generate user imagery, but using a generic sub-category as the source of the user imagery. As a result, precautionary controls were introduced into the research to ensure that the research was capturing brand association rather than category associations.

The idea that brand research might be influenced by category perceptions has been examined in relation to brand personality by Batra and colleagues (Batra, Lenk, and Wedel 2005, 2010; Lenk, Batra, and Wedel 2003 - hereafter Batra and colleagues). In their research, they found that Aaker's (1997) brand personality scale conflates brand and category personality perceptions, and developed a methodology to strip out the category influence. The findings of Batra and colleagues have subsequently been supported by Maehle, Otnes and Supphellen (2011), who used interviews to investigate whether individual brands were typical/atypical of Aaker's (1997) dimensions of brand personality. They note in their findings that brands in the same category tended to be seen as typical/atypical for certain dimensions, and relate this to the category personality findings of Batra and colleagues, and call for further examination of the phenomenon.

Founded in the work of Batra and colleagues,

Avis (2011) describes the findings of category personality as the 'category confusion problem' and argues that, in absence of controls for category influences, the results of brand personality factor research may be seen as questionable. To illustrate the point, he notes that Levy (1999) found whisky category associations that also appear in Aaker's (1997) scale. If researching whisky brands, he argues, it would not be possible to know whether the results would be from category or brand perceptions (the target of the research). Avis also notes that the category confusion problem may be a problem in the development of brand personality scales, whereby the items in the scale are (in part) derived from and skewed by categories used in the scale development. Although theorists and researchers have given consideration to the influence of category associations in brand personality research, this paper argues that the category confusion problem may be widespread. In particular, there have been ongoing questions of how brand personality might be delineated from other brand concepts (e.g. Freling and Forbes 2005; Hosany, Ekinci, and Uysal 2006; Patterson 1999). Of particular note is that Azoulay and Kapferer (2003) argue that Aaker's (1997) scale includes both brand personality measures, but also measures which pertain to other brand concepts. Bearing in mind Batra and colleagues used Aaker's brand personality scale, their research finding therefore suggests that other types of brand attributes were also being conflated with category perceptions in their research findings. This may be seen as unsurprising as Levy's (1999) category associations included both category meaning and user imagery.

The role and importance of category influences in consumer behaviour received a flurry of attention in the late 80s/early 90s (e.g. Meyers-Levy and Tybout 1989; Sujan and Dekleva 1987). Of particular note is Cohen and Basu's (1987) review of the category psychology in relation to consumer behaviour. One of the more notable aspects of the review was the emphasis on the importance of category associations relative to brand associations, proposing that too much emphasis on the brand was 'wishful thinking'. Keaveney and Hunt (1992) review store imagery and category theory, emphasising the

importance of category prototypes in relation to store image perceptions. They propose that consumers use a prototype of a store in their evaluations, and that the prototype is used as a foundation for store image formation. Keaveney and Hunt also implicitly acknowledge the problem of category confusion; they propose methods, such as comparison between stores, to ensure that category prototype perceptions are delineated from individual store perceptions (also see Hartman and Spiro 2005).

The work on category perceptions has had variable influence. For example, several influential papers cite the work of Cohen and Basu (e.g. Keller 1993), but the roles of categories in consumer behaviour tends to be reduced to the role of 'supporting actor' to the 'star role' of brands. Although some research has continued to examine the role of category perceptions (e.g. Schmitt and Zhang 1998), it appears that interest in the examination of category influences, as a subject in its own right, has diminished. This is surprising, as the literature on category associations provides a convincing case for the importance of category associations in consumer behaviour (e.g. Cohen and Basu 1987).

The research for this paper is supportive of the relative importance of category associations. As has been discussed, the research that was the foundation for this paper saw an early suggestion of category effects influencing (possibly confounding) the original research aims. As a precaution, category controls were put in place, whereby rather than examining a single brand, an additional brand was added as research stimuli, alongside asking some participants to provide a stereotypical user of the category under study. The category of luxury sports cars were used as the category stimuli, with the Porsche and Ferrari brands used as the individual brand stimuli.

With a relatively homogenous sample of student participants, the research method commenced by asking participants to think of, and then describe, a stereotypical purchaser of the selected stimuli (i.e. one of the brands or the category of luxury sports cars). On completion of their description, they were asked for the sources of the user imagery generated, if they know owners of the car stimuli, and were also asked to comment on the research process. The results were content analysed for meaning units and clustered into themes (Mayring 2000).

The results of the analysis found that there were significant commonalities in the descriptions,

regardless of stimuli type, and a category stereotype emerged. Also, several of the participants reported sources of user imagery for the car brands which were unrelated to the brand, but were based upon category influences (e.g. for Porsche, the type of person who would buy a sports car). However, despite the commonalities in the user imagery, one individual difference emerged for the Porsche brand, which was a strong user imagery association of 'narcissism', thereby indicating that the 'category control' methodology used in the research might assist in delineating brand perceptions from category perceptions.

As the category controls were added as *ad hoc* (rather than being the main purpose of the research) the number of interviews was limited (25 used from 44), such that the results of the research can only be viewed at exploratory. However, the research findings confirm that category associations are being conflated with brand associations in an examination of user imagery. Furthermore, the method used in this research may ameliorate this problem, as it was possible to identify a unique Porsche attribute. Therefore, the method used might be seen a complimentary to the methods used by Batra and colleagues. However, neither method addresses the problem of category influences on scale development, as suggested by Avis (2011). One possible solution to this problem is presented by Low and Lamb (2000), as they propose that brand association scales should be developed to be category specific and thereby avoid the problem that generalised scales may be biased by the categories used in development.

Finally, Avis (2011) proposed *category confusion* as a problem but, in light of the literature on categories and consumer behaviour, this paper emphasises that *category associations* represent an opportunity. For example, the distinct beverage category associations found by Levy (1999) are suggestive that categories might be used symbolically by consumers. The paper therefore argues that the importance of categories in consumer behaviour may be under-represented, in particular in relation to the influence of individual brands. Furthermore, there are currently rapid advances in the understanding of human categorisation (e.g. Ashby and Maddox 2010; Mahon and Caramazza 2009; Seger and Miller 2010), and it therefore seems an opportune time to revisit the influence of categories in consumer behaviour. As such, it is proposed that a full review of the category theory in relation to consumer behaviour is needed.

In summary, although the paper includes reporting research findings and a potential method to ameliorate the category confusion problem in qualitative research, it is primarily a conceptual paper. In particular, it contributes to the consumer behaviour literature through extending the literature on category confusion, and also identifying an opportunity to revisit a promising area of research and theory.

## CATEGORY THEORY AND CONFUSION INTRODUCTION

Described by Avis (2011) as the 'category confusion problem', the idea that category perceptions might be conflated with brand perceptions has been identified in the brand personality literature. Avis drew heavily on the work of Batra and colleagues (Batra et al. 2005, 2010; Lenk et al. 2003, hereafter referenced as Batra and colleagues), whose research found that brand personality perceptions were being conflated with perceptions of category personality. However, this paper will review some literature that suggests that the category confusion problem is likely to extend beyond brand personality research (e.g. Keaveney and Hunt 1992), and the interview research presented in this paper is also indicative of a wider problem.

Also, Avis (2011) presents category confusion as a problem, but this paper will argue that an understanding of category perceptions also represents an opportunity to better understand consumer behaviour. The paper commences with a review of some key literature that discusses categories in relation to consumer behaviour, before presenting the research for this paper. Although the paper includes research, it is primarily conceptual and seeks to contribute to the literature by (1) extending the literature on category confusion, (2) presenting a method of ameliorating the category confusion problem in qualitative research, (3) and also identifying an opportunity to revisit a promising area of research and theory.

## BRAND PERSONALITY AND CATEGORY CONFUSION

The term 'category confusion problem' is first used by Avis (2011), but early work on brand personality made passing mention of the potential for category influences in brand personality research (Aaker 1997; Batra, Lehmann, and Singh 1993). However, the key work for the category confusion problem is the research of Batra and colleagues. In particular they provide the empirical support that brand personality measures did indeed include perceptions of category 'personality'. Using the categories of jeans, magazines and cars, Batra and colleagues investigated a method for isolating category personality perceptions within brand personality measures. Utilising Aaker's (1997) brand personality model for their investigation (see Lenk et al. 2003 for circumplex models), they found that each category had 'distinct baseline category personality characteristics' (Batra et al. 2005, p.29).

The work of Batra and colleagues has found further empirical support from Maehle, Otnes, and Supphellen (2011). Their research used interviews to investigate which brands consumers perceived as being typical or atypical of Aaker's (1997) brand personality dimensions. Emergent from their research findings were examples of strong category associations, such as the beverage category being associated with 'Sincerity' and fast food brands being associated with lack of sincerity. They also note other literature which finds category associations, for example citing Batra and Homer's (2004) research findings that potato chips were perceived as fun and expensive cookies were associated with sophistication.

Avis (2011) builds on the work of Batra and colleagues and argues that whilst brand personality models are intended to measure brand personality, as a result of the category confusion problem, they are conflating brand and category perceptions. To illustrate the point, he notes that Levy found whisky category associations that also appear in Aaker's (1997) scale. If researching whisky brands, he argues, it would not be possible to know whether the results would be from category or brand perceptions. Avis also suggests that the category confusion problem may also be skewing scale development according to the product categories used in development. He notes that, for example, Sung and Tinkham (2005) replicated Aaker's methodology, but still produced different personality descriptors, suggesting the results may be a function of different categories being used.

The findings of Batra and colleagues, in conjunction with Maehle et al (2011), present a strong case that brand personality and category personality are being fused together in research results. Although limited to brand personality research their findings are nevertheless indicative of a wider problem in brand research. There has been ongoing concern about how brand personality might be delineated from, other brand concepts such as brand image and identity (e.g.

Avis 2011; Freling and Forbes 2005; Patterson 1999). Azoulay and Kapferer's (2003) critique of Aaker's (1997) scale is of particular interest for this paper. They describe Aaker's definition of brand personality as an 'all-encompassing pot pourri' (p.150), arguing that it lead to the inclusion in Aaker's brand personality scale of 'all different facets of brand identity' and 'classical dimensions of product performance' (p.153). This suggests that the research of Batra and colleagues not only found conflation between category and brand personality, but also conflation between other brand and category associations.

In some respects, it is unsurprising that categories might include associations that mirror other brand concepts. For example, Levy (1999) is cited by Batra and colleagues, Maehle et al (2011) and Avis (2011) as a result of his findings of category 'meanings' and user-imagery. However, Levy is not alone in having examined categories in relation to consumer behaviour, and the next section will detail literature discussing some key foundations for the remainder of the paper.

## CATEGORY THEORY AND ASSOCIATIONS

The notion that categories have particular and distinct associations is not new, and there were a flurry of papers in the late 80s early 90s. For example, Sujan & Dekleva (1987) investigated the role of categories in relation to advertising. They argue that different category levels would generate more attributes or inferences, proposing that individual brands only have *some* increase in attributes when compared to their product category (p.373). As a part of their research, they examined the distinctiveness of seven product categories, as well as brands within the categories, and concluded that the category associations were 'rich, evaluative, and quite distinctive' (p.374).

From the same period, one particularly influential article was Cohen & Basu's (1987) scholarly review of theoretical developments in the understanding of categories, and applies these to consumer behaviour. With reference to the argument of this paper, it is interesting to note their contention that research is too focused on individual objects in relation to the category processing context, and they argue that the idea that brands are centre stage in consumer minds is 'wishful-thinking', suggesting that consumers organise their thoughts around category-relevant factors. Meyers-Levy and Tybout (1989) conducted research that included examination of

category schema, finding for example strong product and location of purchase associations for soft drinks, and these might be seen as complimentary to Levy's (1999) more intangible associations (e.g. espresso coffee is associated with 'busyness' and 'mature adults'). Interestingly, more recently, Pettigrew and Charters (2006) examined the perceptions of the beer and wine categories, commenting that the differences in some perceptions were 'relatively rigid' (p.177).

Building upon the empirical findings of Zimmer and Golden's (1988) study of store image and category theory, Keaveney and Hunt (1992) examine the role of category prototypes in the development of store image. They propose that, on entering a new store, consumers activate a store category prototype, arguing that this might even allow for consumers to recall store features that are non-present in the store, but present in the prototype. In addition to the strong emphasis of the importance of category processing in consumer perceptions, Keaveney and Hunt also implicitly acknowledge the problem of category confusion. They propose methods, such as comparison between stores, to ensure that category prototype perceptions are delineated from individual store perceptions (also see Hartman and Spiro 2005 for similar recommendations).

Returning to the work of Cohen and Basu (1987), their article is widely cited in some key brand literature. For example, Keller's (1993) discussion of consumer brand equity, describes that 'attributes or benefits may be considered "prototypical" and essential to all brands in the category' (p.6). Aaker and Keller (1990) also discuss the importance of category fit for brand extensions, a theme that was to continue through the brand extension literature ( see Volckner and Sattler 2006 for a review). In both of the examples given, the inclusion of discussion of category associations might be described in terms of making a 'guest appearance', but with brands playing the role of the 'star performer'.

Although there are some exceptions(e.g. Schmitt and Zhang 1998; Tapachai and Waryszak 2000), the interest in category associations as a subject in their own right appears to have diminished. This is surprising, as both Cohen and Basu (1987) and Keaveney and Hunt (1992) both present convincing arguments for the importance of this area of study as a subject in its own right. In the next section, the findings of a research study will be supportive of this view.

## RESEARCH

The original aim of the research for this paper was to use interviews identify whether brand personification (Hofstede et al. 2007) generates user imagery (a stereotypical brand user, Sirgy et al. 1997), by comparing personification results with descriptions of stereotypical purchasers. However, serendipitous findings proved to be as interesting as the original purpose of the research (see Alba 2011). In particular, in one of the early rounds of interviews, a participant suggested that they were not using the brand stimuli (Heineken) to create the user imagery, and explained that the user imagery was as much for a 'middle range' beer as for the stimuli brand. As the target of the research was to investigate brand perceptions, not category perceptions, the participants' comments caused concern.

As a result, controls for category influences were introduced; in addition to interviews examining the main brand stimulus brand, other participants were also asked to provide a description of a stereotypical purchaser of the category or a second brand stimulus. As personifying a category might be perceived as an odd request, the category control was limited to stereotype methods so that personification results are therefore excluded from the results in this paper (as they are not strictly comparable). As a result of this (and some other methodological problems in the early interviews) a subset of only 25 out 44 interviews are included in the results for this paper. The research is therefore presented as exploratory and the results tentative.

Reflecting the original research aim, the participants were chosen for relative homogeneity, and were all New Zealand students between the ages of 18-15. An offer of chocolate and entry into a prize draw were incentives to participate. The brand stimuli used were Porsche (PS), Ferrari (FS) and the category stimulus was 'luxury sports cars' (CS). As the latter two stimuli were added as 'controls' the interviews are uneven in number (PS=13, CS=6 and FS=6), and this should be kept in mind when examining the results. In each case, a script was read to participants explaining the purpose of the research, after which they were asked to describe a stereotypical purchaser of the car stimuli. Further questions were the source of the stereotype, if they knew an owner of the stimuli example, an open question on their views of the research process overall. The interviews were recorded for later transcription and analysis.

For the analysis, one researcher coded the transcripts into meaning units, before clustering the units into themes until a good 'fit' was achieved. Whilst some meaning units were very distinct, others were combined into a single meaning unit (e.g. 'big company' was coded as 'corporate'). A final step for some themes was to try to arrange meaning units in rank orders. Whilst this is an aid to help visualise the data, it should be noted that this is a very subjective approximation of the intended meaning of the participants. Finally, the sources of the user imagery were quantified according to the number of mentions. With regards to the validity of qualitative research, Onwuegbuzie and Leech (2007) provide an overview of the literature, and this research draws on their recommendations. An audit trail has been generated, and the coding for the research was checked by a second experienced coder to ensure that it reasonably reflected the original interviews.

Figure 1 provides an overview of the results from all of the interviews. Each stimuli symbol (see key) in the diagram represents one incidence of use of the meaning unit to which it is attached. One of the items not included in the figure is user imagery gender. There were only four female associations (PS=2, CS=2, FS=0), and it is notable that these generated other differences in the user imagery (e.g. younger). When examining the large picture, it appears that there is considerable commonality in the results, and that this is suggestive of a category effect. The category user imagery appears to be male, middle aged and is a smartly dressed and well heeled businessman. He is city living and has purchased the car to show-off/ as part of a showy lifestyle, and is not a stereotypical New Zealander.

The one theme which is striking in the findings is the direct association of Porsche with 'Narcissism'. This theme was not apparent in the initial analysis, and only became apparent as a result of removing Porsche personification descriptors for this paper, and then re-clustering meaning units to better explain the remaining data. There are also the associations with Porsche and a car 'enthusiast' but two of the descriptors were generated from known owners who fitted this description. The sources of user imagery were of particular interest for this paper, and the number of mentions of sources is provided in table 1.

Of note in table 1 is the 'status of person' as a source, which indicates the use of a generic stereotype, rather than a stereotype derived from an individual brand. For example, one PS interviewee

stated that the stereotype was 'a sort of person that could afford a Porsche in the first place', and another PS interviewee suggests that 'because […] to afford one, expensive cars, it comes with the territory.' In an FS interview, one interviewee suggests that the source is 'like the stereotypical mid-life crisis, you buy a sports car', and another suggested that the source of the stereotype were media images of wealthy people. In all of these cases, it was apparent that, at the very least, the interviewees were partially drawing upon sources that were only vaguely related (if at all) to a particular brand. These comments and the overview of the research results are indicative of strong category effects in the research findings, and that in *some cases* the brand may not have been a significant contributor to the results.

## FIGURE 1: OVERVIEW OF RESEARCH FINDINGS

Key: ◇ Porsche ✳ Ferrari ✳ Category

**Clothes** — positive
- Expensive Clothes
- Expensive Suits
- Well presented/dressed/nice clothes
- Really Nice Suits
- Business Suit
- High Heels
- Brief case

**Residence**
- Nice House
- Big Apartment
- Live in the city
- Not New Zealand
- Europe
- America
- Auckland
- Wellington

**narcissism**
- Appearance Conscious
- Narcissistic
- Image Conscious
- Self-centred
- high self-image
- Self-Love

**Behavioural**
- Overdose of Testoserone
- Seeks Adrenaline
- Use car to show off masculinity/get girls
- Ladies Man
- Reclaim Youth
- Mid-Life Crisis
- Likes to drive flashy cars
- Passionate about Cars
- Love their car
- Interested in Cars
- Likes to impress
- Flamboyant
- Extravagant
- Big Spending
- Shows off money
- Show-off
- Car to Show Off
- Drinks Nice Wine
- Go to Fancy Bars
- Dining in nice restaurants
- Love their lives
- High lifestyle

— outliers —
- Prioritises Flashy/Stereotypical
- All about business
- Professionally driven

**Income/Class** — higher
- Middle to Upper-Class
- $100,000+
- Very High Income
- Extremely large Amounts of Money
- Really Wealthy
- Upper Middle
- $NZ 100,000
- Higher Income
- Rich
- Kind of Rich
- Lots of Money
- Quite a lot of Money
- Wealthy
- Wealthier
- Well off
- Middle Class
- Rich Parents
- middle class child of rich parents

**Career/Job Level** — higher
- Musician/celebrity
- Business Owner
- Corporate/banking/big firm etc
- less corporate
- High Flyer
- CEO
- Boss
- Professional
- Executive
- Big Guy
- High-up
- Business Person

**Evaluative Descriptors** — more negative?
- Elegant
- Slick
- A Tosser
- Free-Spirited
- A Player
- Greasy
- Successful
- Flashy
- Slimy
- Suave
- Corrupt
- Competent
- Well-mannered but two-faced
- Not respectable

## TABLE 1: SOURCES OF USER IMAGERY

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Actual User | 7 | | 2 | Known Owner | 3 | | 1 |
| Movies | 5 | 6 | 3 | Car Features | 1 | | |
| Magazines | 2 | 1 | | Advertising | 2 | | 2 |
| Television | 4 | | 3 | Media | 5 | | |
| Radio | 1 | | | Car Brand | 1 | | |
| Books | | 1 | 1 | Society | | 1 | |
| Musicians | | 1 | | Culture | | | 1 |
| Person known who wants the car | | | 1 | | | | |
| Sort/status of person who could afford to buy the car | | 3 | 2 | | | | |

## DISCUSSION

It is entirely unsurprising that, for example, a luxury sports car might be associated with wealthy people. Whilst this is common sense, the generic category of wealthy people (in some cases) drove the description rather than the individual brand. Less obvious was the category association of 'mid-life crisis'/'regain lost youth' found in CS, PS and FS. Although not reported in feedback, it is likely that this stereotype was also driving some of the descriptions, rather than individual brand associations. If returning to Keaveney and Hunt's (1992) it seems a sports car owner schema / generic wealthy person is being activated in addition to, or in place of, a brand schema.

In conjunction with the literature, the findings of this research have implication for brand research. One relatively clear finding is that measurement of a single brand within a category would be problematic. For example, if a researcher were to have researched the Porsche brand in isolation, there is potential for misdiagnosis of the results; taking the example of 'mid-life crisis/regaining youth,' this might be interpreted as a negative association for the Porsche brand in particular, rather than a generic negative category association.

More positively, the research findings also allowed the identification of a user imagery attribute that appears to be a specific to Porsche (narcissism). This can be seen as an indicator that the methodology of examining category associations, and inclusion of more than one brand, might allow for the separation of category and brand specific associations. However, as the purpose of the research was not to examine category effects, the method was an *ad hoc* inclusion that was precautionary and therefore needs more comprehensive examination. Notwithstanding the limitations of the research, it appears to be a promising method of identifying individual brand perceptions, and complimentary to the quantitative methodology of Batra and colleagues.

Although there may be methods to ameliorate category confusion in some respects, these methods do not address the problems of category confusion

in scale development. Avis (2011) argues that the categories used in development may see category influences determining items in a scale, and argues that this limits the ability for scales to be generalizeable. It is beyond the scope of this paper to examine the many brand scales that have been developed, but it seems plausible that category associations may bias scale development. For example, Delgado-Ballester (2004, 2005) has developed a brand trust scale, using beer and deodorant categories for scale development, and links Aaker's dimension of 'Sincerity' to his trust concept of brand intent. However, Maehle et al (2011) identify that 'Sincerity' is closely associated with some categories, and it is therefore reasonable to surmise that the categories of beer and deodorant will be associated with a perceptions of trustworthiness (or 'Sincerity') and that these could impact upon the scale development.

One possible solution to the problems of category confusion in scale development is Low and Lamb's (2000) methodology for brand association scale development. Rather than trying to develop generalised scales, they propose a methodology for developing scales for particular categories. The first step in their methodology is to ascertain which descriptors are salient for the category (category associations) to be examined, which are then used as a basis for the scale. Provided that the resultant scale is used across a range of brands within the category (i.e. not a single brand), the relative position of each brand against each category association will be apparent.

However, even where category specific scales are developed, they may still be conflating category perceptions with individual brand perceptions. As such, the methodology of Batra and colleagues for isolating brand from category perceptions might be adapted into other areas of brand research. Alternatively, another possible avenue would be to measure the category perceptions using the scale in addition to individual brands, and then deflate each item by the mean for the category[1]. However, these are just two approaches, and there is potential for the development of other methodologies to control for or ameliorate category confusion.

As discussed in the introduction, category confusion should not necessarily just be seen as a research problem, but should also be seen as an opportunity. In consideration of Levy's (1999) beverage category associations, it is apparent that category associations might have an equal, or greater,

influence on consumer behaviour than individual brands (see Nedungadi, Chattopadhyay, and Muthukrishnan 2001, for a discussion of category salience). For example, the strong associations between certain beverage categories and particular user imagery are likely to be influential in consumer behaviour. As just one example, the earlier discussion of wine and beer by Pettigrew and Chartres (2006) describes the association of sophistication with the wine category, which might be used symbolically by consumers.

Following the publication of Cohen & Basu's (1987) paper, there was a flurry of interest in the role of categories and consumer behaviour. Whilst there has been some attention devoted to the role of categories in consumer behaviour, attention has focused on the role of individual brands as pre-eminent determinant of consumer behaviour. However, as discussed earlier, there are convincing arguments that category perceptions and cognitive processing are an important determinant of consumer behaviour. Also, the idea that certain categories are strongly related to consumer preference is intuitively plausible; for example, very few teenagers would be likely to want a bone china tea set (for them) in preference to a new mobile phone.

Feldwick (1991) long ago warned against the tendency to treat brands as if they were 'gods on clouds' and this is reflected in Cohen & Basu's (1987) contention that it is 'wishful thinking' that brands are centre stage in the minds of consumers. Although brand associations can undoubtedly be important determinants of consumer behaviour, there is also a risk that they are being over-represented as a central determinant of consumer behaviour. By contrast, it may be the case that the role of categories, and the importance of category effects, may be under-represented in the consumer behaviour literature.

## CONCLUSIONS

The category confusion problem was initially identified as a problem related to the study of brand personality, but it is a problem that appears to extend into broader areas of brand literature and research. When reviewing the literature for this paper, it was surprising to find the clear explanation of Keaveney and Hunt (1992), which mirrors some of the concerns later expressed by Avis (2011). Also, although there was a period of strong interest in the role of categories, it is also surprising to see that this interest has diminished. The review of category theory by

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1 This idea comes from an anonymous reviewer for a paper on a related subject.

Cohen & Basu (1987) presents a convincing case for the importance of category processing in consumer behaviour.

Following from Cohen and Basu (1987), it may therefore be time for a new and updated review of category theory in relation to consumer behaviour. There are rapid advances in the study and understanding of categories. For example, researchers are progressively identifying the areas of the brain associated with processing of different category types (e.g. Seger and Miller 2010) and identifying category organisation through semantic deficits (e.g. Mahon and Caramazza 2009), and integrating theories into a comprehensive picture of which category function is activated according to task/stimuli type (e.g. Ashby and Maddox 2010). Bearing in mind the significant advances being made in understanding categories, there is considerable promise for application of the developing theory in the field of consumer behaviour. With regards to the problematic side of category confusion, in which brand perceptions might be conflated with category perceptions, there are promising avenues that may ameliorate the problems; Batra and colleagues offer a solution for quantitative research, and the research for this paper indicates the direction of a solution for qualitative research. However, further research needs to be undertaken to confirm the conceptual argument of this paper, in particular an examination of the extent of category confusion problems in brand research. Although this paper argues that the effect is likely to be widespread, such arguments still need empirical investigation.

To conclude, Avis (2011) proposed *category confusion* as a problem, but this paper emphasises that *category associations* represent an opportunity. As such, the paper ends by proposing a revival of interest and research in the relatively neglected influence of category learning and processing in the context of consumer behaviour.

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# An Associative Structure of Memory Distortions: Effects of Brand Familiarity and Positive versus Negative Information

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## ABSTRACT

The research shows the internal mechanisms of creating false memory of the brand, on the basis of associations which are activated by information coming from other sources than the consumers' previous experience with the brand. Effects of brand familiarity and effects of positive versus negative information are considered.

The aim of the paper is to show the internal mechanisms of creating a false memory of the brand on the basis of associations which are activated by information coming from other sources than consumers' previous experience with the brand. In the research on the advertisement the memory distortions have been investigated in several studies and refer to creating false memory of evaluations of marketing stimuli (Braun-LaTour and LaTour 2005) and to behavioral effects of memory distortions – consumers' choices (Braun and Loftus 1998; Braun 1999). Mechanisms of memory distortions have not been investigated in the context of internal, associative structure of the brand so far. The behavioral effects – consumers' choices – are determined just by these internal mechanisms.

The theoretical basis for our studies are network models of the mind in which encoded information is stored in memory as a network structure, consisting of nodes representing concepts and links representing associations among concepts (Anderson 1983; McClelland 1995).

It is assumed that the brand has an associative structure and pieces of information about the brand, coming from different sources, are joined to this structure (Keller 1993; 2008). An associative structure of the brand results from an associative structure of the memory and mind. Therefore, our research on an associative structure of memory distortions of the brand as well is situated in a classical approach to the brand (Keller 1993; 2008) as it broadens former studies on the mechanisms of creating a false memory in the consumers' mind.

Our research has been conducted in the backward framing paradigm showing that information acquired *after* an experience can transform the memory of that experience (Braun and Zaltman 1997; Braun-LaTour and LaTour 2005).

Effects of brand familiarity and effects of positive versus negative information are considered. An associative network for a familiar brand is better developed and consolidated in the memory than for an unfamiliar brand (Campbell and Keller 2003; Dahlén and Lange 2005). Thus, knowledge about familiar and unfamiliar brands can differ in the susceptibility to memory distortions. On the other hand, positive versus negative information is processed differently in an associative network and this results in their different effects on the strength of memory distortions (Porter et al. 2010; Brainerd et al. 2008). We show in which conditions, negative or positive, information leads to stronger memory distortions.

A 2 (brand familiarity: familiar vs. unfamiliar) x 2 (valence of after-the fact information: positive vs. negative) experimental design was used. Research was designed in the backward framing paradigm. After viewing an advertisement for a familiar versus an unfamiliar brand, participants (N=60) generated associations to the brand and evaluated the brand on the scales. Then they were presented with an opinion about the brand (positive versus negative). Further, they recalled their previous associations and evaluations. The opinion acted as a 'backward frame', altering how consumers remembered their previous associations and evaluations of the brand. According to the backward framing paradigm, advertisements acted as 'previous quasi-experience' with the brand. The Brand Evaluation Scale and a continued associations task were used to establish the strength of memory distortions. All measures were implemented twice: 1) after viewing an advertisement and then 2) after reading an opinion The second time participants were asked to *recall* their previous evaluations and associations.

To verify hypotheses, a repeated measures ANOVA was used. Measures of the Brand Evaluation Scale and a 'valence of associations' measurement were used as dependent variables (DV1- measurement *before* the presentation of the opinion, DV2 – measurement *after* the presentation of the opinion). Brand familiarity and positive/negative information were independent variables.

Hypothesis 1 stated that knowledge acquired from advertisements for familiar brands is more

resistant to memory distortions than knowledge acquired from ads for unfamiliar brands. It was expected that associations for familiar brands would be less affected by after-the fact information as compared to unfamiliar brands. As predicted, in the case of an unfamiliar brand the memory of brand evaluation and of associations was distorted by after-the fact information. These effects did not occur for a familiar brand. Familiar brands have a well developed associative network, well consolidated in memory (Campbell and Keller 2003; Dahlén and Lange 2004). Thus, familiar brands are less affected by competing claims from other brands (Pechmann and Stewart 1990) and more resistant to memory distortions. However, an associative structure of an unfamiliar brand is not well consolidated in memory and is more susceptible to memory distortions. The essential, practical implication in regard to the creation of ads, particularly for unfamiliar and new brands, is to strengthen their resistance to memory distortions, for example by creating coherent advertisements. If particular elements of an advertisement provide similar associations, an ad is coherent and resistant to distortions (Grochowska and Falkowski 2010).

According to hypothesis 2, negative after-the-fact information causes stronger memory distortions of an advertisement in an associative network than positive information. ANOVA for repeated measures revealed that it is easier to distort memory with the use of negative rather than positive information. Effects occurred for the unfamiliar but not for the familiar brand. More importantly, the effects of positive information on memory distortions were not significant. This means that (in the case of an unfamiliar brand) negative after-the-fact information facilitates joining new (negative) associations to the memory network. Whereas the memory network is more resistant to positive after-the-fact information. According to the Affect Infusion Model (Forgas 1995) and the Paradoxical Negative Emotion hypothesis (Porter et al. 2008), a negative affect facilitates joining new associations to the memory network, and create a false memory. These effects are particularly dangerous when competitors use negative comparative advertising. Pieces of negative information, as compared to positive, are more easily joined to the memory network and they can depreciate the brand by creating its negative image.

# AN ASSOCIATIVE STRUCTURE OF MEMORY DISTORTIONS: EFFECTS OF BRAND FAMILIARITY AND POSITIVE VERSUS NEGATIVE INFORMATION

Consumers receive information about different brands and products form different sources, for example from the internet, the press, other consumers (word-of-mouth), or advertisements. It is important for marketers that their advertisements be well remembered and resistant to memory distortions. In the research on the advertisement the issue of memory distortions has been investigated in several studies and refers to creating false memory of *evaluations* of marketing stimuli(Braun-LaTour and LaTour 2005) and to *behavioral* effects of memory distortions – consumers' choices (Braun and Loftus 1998; Braun 1999).

The aim of this paper is to show the *internal mechanisms* of creating a false memory of the brand on the basis of associations which are activated by information coming from other sources than consumers' previous experience with the brand. Mechanisms of memory distortions have not been investigated in the context of internal, associative structure of the brand and the memory so far. Behavioral effects – consumers' choices – are determined just by these internal mechanisms.

It is assumed that the brand has an associative structure and pieces of information about the brand, coming from different sources, are joined to this structure (Keller 1993; 2008). An associative structure of the brand results from an associative structure of the memory and mind. Therefore, our research on an associative structure of memory distortions of the brand as well is situated in a classical approach to the brand (Keller 1993; 2008) as it broadens former studies on the mechanisms of creating a false memory in the consumers' mind.

Our research has been conducted in the backward framing paradigm showing that information acquired *after* an experience can transform the memory of that experience (Braun and Zaltman 1997; Braun-LaTour and LaTour 2005).

Effects of brand familiarity and effects of positive versus negative information are considered. An associative network for a familiar brand is better developed and consolidated in the memory than for an unfamiliar brand (Campbell and Keller 2003; Dahlén and Lange 2005). Thus, knowledge about familiar and unfamiliar brands can differ in the susceptibility to memory distortions. On the other hand, positive

versus negative information is processed differently in an associative network and this results in their different effects on the strength of memory distortions (Porter et al. 2010; Brainerd et al. 2008). We show in which conditions negative as compared to positive information leads to stronger memory distortions.

In the perspective of practical applications the obtained results can provide advertisers with information on which strategy should be adopted for well known brands, and which one for new brands – to minimize distortions of the brand in the consumers' memory, against positive or negative information coming form different sources. Furthermore, the obtained results show how to effectively cope with the competitors' comparative ads, and sources of false or negative information about the brand. Such protection is particularly important for unfamiliar or less known brands.

## BACKWARD FRAMING IN CONSUMER RESEARCH

One of the most intriguing forms of memory distortion: when the memory of a previous experience with a product is altered by the actual information about the product, has been investigated in the field of consumer research in the backward framing paradigm (e.g. Braun and Zaltman 1997; Braun-LaTour and LaTour 2005). Past studies showed that the advertising following a direct product experience (tasting a bad mixture of orange juice) transformed consumers' memory of the original experience and resulted in more favorable product *evaluation* and *choices* of a better taste (Braun 1999; Braun-LaTour and LaTour 2005). In Braun and Loftus (1998) experiment an advertising misinformation effect was obtained for color memory of a previously seen candy bar wrapper. *A choice* (hence, a behavioral aspect) of the color of the wrapper was a measure of a memory distortion here. Thus, behavioral (consumers' choices) and evaluative effects of memory distortions have been examined. However, the internal mechanisms of these distortions, resulting from an associative structure of the memory, have not been analyzed.

Furthermore, research on the memory processes and studies in the backward framing paradigm prove that the better an experience is consolidated in the memory, the less it is distorted by post-experience information (Braun and Loftus 1998; Braun-LaTour et al. 2004; Loftus 2005; Schacter 2001). Advertisements for familiar brands are better elaborated than ads for unfamiliar brands.

Thus, after-the-fact information can stronger distort the memory of the ad for an unfamiliar than familiar brand. Gunasti, Baumgartner and Ding (2008) note that consumers' knowledge (of the brand) is one of the determinants of memory distortions caused by marketing communications.

Moreover, the strength of memory distortions is also influenced by a sort of after-the-fact information. Braun and Zaltman (1997) demonstrated that a positive (negative) critic review affected consumers' evaluation of a product (trailer of a movie) and a previous evaluation was recalled as more (less) favorable. In addition, effects were not symmetrical: stronger memory distortions were observed when after-the-fact information was rather negative than positive. Thus, in our research we investigate how positive versus negative information can distort the memory of the previous experience, considering brand familiarity.

## THEORETICAL BACKGROUND

An Associative Structure of Memory Distortions

The theoretical basis for our studies are network models of the mind in which encoded information is stored in memory as a network structure, consisting of nodes representing concepts and links representing associations among concepts. When new information is acquired or when internal information is retrieved from memory, a node containing this information can be a source of activation for other nodes. Activation can spread from this node to other linked nodes in memory. The stronger associations among nodes, the easier connected pieces of information are retrieved from memory (Anderson 1983; Keller 1993; McClelland 1995; McClelland and Rogers 2003). Processes of acquiring new information of the brand from different sources and mechanisms of memory distortions can be explained in this approach. Consistent with an associative network memory model, brand knowledge is conceptualized as consisting of a brand node in memory to which a variety of associations are linked (Keller 1993).

On the other hand, memory is an active constructive process. The brain's structure is plastic and dynamic, and can be changed by new experiences, and mental representations of those experiences are also plastic and changing (Braun and Zaltman 1997; LeDoux 1996). According to Edelman (1992), the brain is an active system where shifting is constant, and encoded material is reprocessed and updated continually (see: Braun and Zaltman 1997). Memories

are constructed from fragments of information that are distributed across different brain regions, and depend on influences operating in the present as well as the past. The areas involved in associative learning and memory consolidation are highly dependent on the hippocampal system where associations become 'glued' together (Braun and Zaltman 1997; Schacter 1996). This means that pieces of information coming from different sources are joined in the memory and form an associative structure of a given object. It is easier to join newly learned information when the knowledge about the given object is not well consolidated in memory (Schacter 2001). Thus, mental representations of unfamiliar brands (as compared to familiar which are better consolidated in memory) can be more susceptible to memory distortions.

## AN ASSOCIATIVE STRUCTURE OF THE BRAND

An associative structure of the brand, proposed by Keller (1993) is a part of an associative structure of memory. Consistent with an associative network memory model, **brand** knowledge is conceptualized as consisting of a **brand** node in memory to which a variety of associations are linked. A process of building brand image in consumers' minds is based on forming the knowledge of the brand. This knowledge comes from different media and from consumers' own experiences with the product or brand. This knowledge, stored in the memory, consists of a set of nodes and links. Nodes are stored information connected by links that vary in strength. Thus, a structure of this knowledge is associative.

However, a crucial property of brand associations is their emotional valence. Not only brand equity is determined by a structure of positive, negative or emotionally neutral associations in a consumer's mind (Keller, 1993; 2008) – but also the nature of positively versus negatively valenced associations influences how well a brand image is consolidated in memory and is resistant to memory distortions. This results from functions of positive versus negative affect, which are described in the following paragraphs.

Since an associative structure of the brand is formed from consumer's experiences with the brand and information from different sources, it becomes obvious that through appropriately designed marketing communication marketers can elicit, weaken or strengthen, or even change a previous consumer's experience with the brand.

## BRAND FAMILIARITY AND RESISTANCE TO MEMORY DISTORTIONS

Familiar and unfamiliar brands differ in terms of the knowledge regarding the brand that a consumer has stored in memory. Familiar brands elicit more associations and more personal associations (Dahlén and Lange 2005; Low and Lamb 2000). Consumers tend to have a variety of different types of associations for familiar brands - but not for unfamiliar brands because they have not had any experiences with them. Consumers have well-established brand schemas for familiar brands, which lead them to expect a certain kind of communication from the brand. Familiar brands have a well developed brand schema, are cognitively available and activate a wide area of an associative network, in contrast to unfamiliar brands (Campbell and Keller 2003; Dahlén and Lange 2004). Moreover, familiar brands are less affected by competing claims from other brands (Kent and Allen 1994; Pechmann and Stewart 1990) and have a more persuasive power of sources of claims (Snyder 1989). Thus, the strength of memory distortion can be determined by brand familiarity. An associative structure of an unfamiliar brand is not well consolidated in memory and more susceptible to memory distortions than an associative structure for a familiar brand.

In our research previous knowledge about the brand acquired from an advertisement is distorted by after-the-fact information coming from a newspaper article. On the basis of theories of an associative structure of memory and brand, as well as research on brand familiarity, we can put forward hypothesis 1.

**H1:** Knowledge acquired from advertisements for familiar brands is more resistant to memory distortions than knowledge acquired from ads for unfamiliar brands: Associations for familiar brands are less affected by after-the fact information as compared to unfamiliar brands.

## POSITIVE VERSUS NEGATIVE INFORMATION IN MEMORY DISTORTIONS

Effects of positive versus negative information on memory distortions have been examined in several empirical studies. Porter and colleagues (2010) found that relative to positive pictorial information, negative information was associated with a greater susceptibility to false memories. In another experiment,

false **memory** was higher for **negative** materials (remembering negative events) and lower for **positive** materials (Brainerd et al. 2008). Porter, Taylor and Ten Brinke (2008) showed that participants recalled a greater number of false negative as compared to false positive events. Negative events, in general, were associated with more detailed memories and false negative event memories were more detailed than false positive event memories. Porter and coworkers (2008) explain these effects with the Paradoxical Negative Emotion (PNE) hypothesis according to which negative emotion generally facilitates memory but also heightens susceptibility to false memories.

According to Clark and Isen (1982), a positive affect reduces and negative affect increases the processes of intellectual effort. Similarly, Bless and Fiedler (2006) claim that positive affect supports schematic processes of thinking (assimilation), whereas negative affect facilitates attentional strategies (accommodation). One can also refer here to the Affect Infusion Model by Forgas (1995, 2010): The analytical information processing is more likely to be 'infused' by the affect. Negative information is processed more thoroughly, analytically, thus it is more susceptible to infusion.

In the consumer research area Braun and Zaltman (1997) demonstrated that a negative critic review affected consumers' memory of the evaluation of a product (trailer of a movie) and a previous evaluation was recalled as less favorable. Moreover, there were stronger memory distortions after negative than positive information. Similarly, LaTour and LaTour (2009) found that consumers in a negative (as compared to positive) mood are less likely to notice the false information in the advertising.

Thus, negative associations, as compared to positive, are more sensitive and it is easier not only to activate them in an associative network but also they can bring on stronger memory distortions. On the basis of the assumptions presented above and according to the backward framing schema used in our research, we can hypothesize that:

**H2:** Negative after-the-fact information causes stronger memory distortions of the knowledge required from the advertisement than positive information.

## METHOD
### Design of the Experiment
A 2 (brand familiarity: familiar vs. unfamiliar) x 2 (valence of after-the fact information: positive vs.

negative) experimental design was used. Research was designed in the backward framing paradigm (Braun et al. 1997, 2005). After viewing an advertisement for a familiar versus an unfamiliar brand, participants generated associations to the brand and evaluated the brand on the scales. Then they were presented with an opinion about the brand (positive versus negative). Further, they recalled their previous associations and evaluations. The opinion acted as a 'backward frame', altering how consumers remembered their previous associations and evaluations of the brand.

### Participants
Sixty undergraduates, aged 21-27, participated in the experiment.

### Stimuli
*Print advertisements.* According to the backward framing paradigm, advertisements acted as 'previous quasi-experience' with the brand. Advertisements for travel agency Orbis (familiar brand) and El Paradiso (unfamiliar brand) were prepared for the purpose of the experiment. Brand names have been selected in a pilot study. Ads included a photograph (a young woman and man at the sea shore), brand name (Orbis or El Paradiso), and a headline 'Orbis/El Paradiso… and nothing to worry about'.

*Information about the brand.* A newspaper article about the brand Orbis or El Pardiso acted as after-the-fact information. Each text consisted of about 260 words. A positive version of the article included such statements as*: 'Exclusively for our readers, we have prepared a ranking of the best of travel agencies (…). Orbis/El Paradiso gained the most positive opinions. (…) Clients especially value its reliability, a wide range of offered trips, and a high quality of hotels (…). Here is an opinion of one of our clients: 'I have been traveling with Orbis/ El Paradiso several times and I much appreciate their reliability. Every time they provided good care for me. They always offer very attractive trips and comfortable hotels. With Orbis/El Paradiso I could enjoy the calmness in my holidays'.* In a negative version the article stated that: *'Orbis/El Paradiso (…) has disappointed their clients. (…) Catalogs included information contrary to real conditions prevailing at hotels and resorts. (…) Room standards were far worse than presented in brochures. (…) Clients were exposed to many unpleasant situations and disappointments. (…) A client says: 'I have traveled with many travel*

*agencies but this time I was outraged and disgusted after seeing the conditions in the hotel. In addition, I have not been informed about extra payments before (...)'.*

## Measurement of Dependent Variables

The Brand Evaluation Scale and a continued associations task were used to establish the strength of memory distortions. All measures were implemented twice: 1) after viewing an advertisement and then 2) after reading an article which acted as a backward frame. The second time participants were asked to *recall* their previous evaluations and associations.

*Associations to the brand.* Participants were asked to generate associations, in order that first came to their mind. Five independent judges coded associations to evaluate their emotional valence on the 3-point scale (-1 negative, 0 neutral, +1 positive). Judges' evaluations (positive, negative or neutral) were established for each association.

These associations which first come to mind are the most readily available in memory and the most important for a subject. Since participants' first responses are assumed to be more dominant (i.e. salient), each response was assigned a dominance score that was a measure of its relative salience. These scores were assigned according to Szalay and Deese's (1978) procedure which allowed to establish the strength of the associations. Therefore, 6 was assigned to the first response produced by a participant, 5 to the second response, 4 to the third response, 3 to the fourth through seventh responses, 2 to the eighth and ninth responses, and 1 to each subsequent response. Then, values of positive, negative and neutral associations were calculated for each participant. An example of calculated scores is presented in table 1.

Then, a variable 'valence of associations' was calculated: a sum of dominance scores for positive associations minus a sum of dominance scores for negative associations, for example, for participant 1 it was: 18-0=18 and 9-12=-3 (see table 1). This variable was used in statistical analyses. Neutral associations have not been considered in analyses because they occurred only in a few cases.

Furthermore, *a qualitative analysis of associations* was carried out. For each participant all *new* associations, which occurred *after* after-the-fact information (a newspaper article), were counted up. Then, for each participant, dominance scores for these new associations were summed up, independently on their valence. A variable 'new associations' was used in analyses.

*The Brand Evaluation Scale.* Brand evaluation was assessed on four seven-point semantic differential scales (e.g. favorable-unfavorable, good quality–bad quality). The four measures were summed up to form overall measures of brand, Cronbach-alpha was .88 (first measurement) and .92 (second measurement).

*Distraction tasks.* In order to eliminate the short-term memory effect, after the presentation of an advertisement, participants completed a distraction task. They were asked to solve a labyrinth-type puzzle. The average time for solving the task was 2-3 minutes. The second distraction task was applied after reading an article (backward frame). It was a Sudoku Puzzle. The average time of solving the task was about 3-5 minutes.

Procedure

*TABLE 1. AN EXAMPLE OF SCORES CALCULATED FROM ASSOCIATIONS (FOR AN UNFAMILIAR BRAND, A NEGATIVE BACKWARD FRAME)*

| Participant | Associations 1 | Valence | Dominance score | Associations 2 | Valence | Dominance score |
|---|---|---|---|---|---|---|
| 1 | A rest | + | 6 | A rest | + | 6 |
| | Quietness | + | 5 | *Low quality* | - | *5* |
| | The sun | + | 4 | *A lie* | - | *4* |
| | Holidays | + | 3 | The sun | + | 3 |
| | | | | *Uninteresting* | - | *3* |
| | A sum of dominance scores: positive 18 | | | A sum of dominance scores: positive: 9 negative: 12 | | |
| 2 | Holidays | + | 6 | Holidays | + | 6 |
| | The sun | + | 5 | A brewery | 0 | 5 |
| | A brewery | 0 | 4 | *A pack of lies* | - | *4* |
| | A seashore | + | 3 | A seashore | + | 3 |
| | Egypt | + | 3 | *Fraudsters* | - | *3* |
| | | | | *Stress* | - | *3* |
| | A sum of dominance scores: positive 17 neutral: 4 | | | A sum of dominance scores: positive 9 neutral 5 negative 10 | | |

Participants were randomly assigned to one of the four experimental groups (Orbis/positive article, Orbis/negative article, El Paradiso/positive article, El Paradiso/negative article). After viewing an advertisement (for 40 seconds), they generated associations to the brand and evaluated the brand on the Brand Evaluation Scale. Then the distraction task 'labyrinth' was implemented. Next, they were presented with a newspaper article. They had one minute for reading the article. The article acted as a backward frame, altering how they remembered their own associations and evaluations. To eliminate short-term memory effects, the distraction task 'Sudoku' was used. After that, they were asked to recall their previous associations and evaluations on scales. At the end of the experiment participants were debriefed and informed about the aim of the research.

## RESULTS

The memory distortion effects can be modified through different types of measurement. Manning and colleagues (2001) note that regarding the advertising associative effect, using unstructured, open-ended measures of memory is reasonable. Furthermore, these measures possess greater correspondence to the representations residing in long-term memory. On the other hand, using structured measures (anchored scales) for assessing memory distortion effects explore a more superficial nonsemantic level. Thus, one can expect that the effects of memory distortions will be more visible at an associative level than measured with anchored scales. In our analyses two kinds of measures were used: 'valence of associations' and 'new associations' as associative measures (obtained from continued associations) and the Brand Evaluation Scale as an anchored scale.

To verify hypotheses, a repeated measures ANOVA was used. Measures of the Brand Evaluation Scale and a 'valence of associations' measurement were used as dependent variables (DV1- evaluation and valence of associations *before* the presentation of the newspaper article, DV2 – memory of evaluation and associations, *after* the presentation of the newspaper article). Brand familiarity and positive/negative information were independent variables. Additionally, a two-way ANOVA was carried out for independent variables: brand (familiar vs. unfamiliar) and information (positive vs. negative), and a dependent variable 'new associations' (i.e. associations which occurred *after* after-the-fact information).

Brand Familiarity and Memory Distortions
Hypothesis 1 stated that knowledge acquired from advertisements for familiar brands is more resistant to memory distortions than knowledge acquired from ads for unfamiliar brands. It was expected that associations for familiar brands would be less affected by after-the fact information as compared to unfamiliar brands. Effects of brand familiarity and memory distortions, for associative and non-associative measures, are presented in figure 1.

## FIGURE 1. BRAND FAMILIARITY AND MEMORY DISTORTIONS
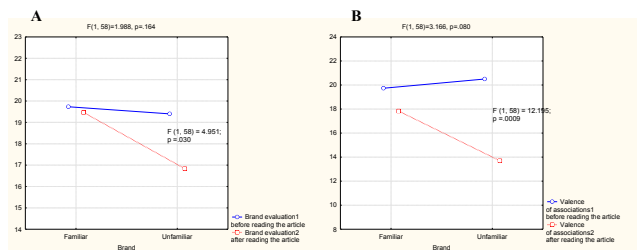


ANOVA for repeated measures has shown the effects of after-the-fact information (newspaper article) on the memory distortion of brand evaluation (figure 1 A) and the 'valence of associations' measurement (figure 1 B). As predicted, in the case of an unfamiliar brand the memory of brand evaluation and of associations was distorted by after-the fact information; effects did not occur for a familiar brand. So, the main effect for the Brand Evaluation Scale [$F(1, 58) = 1.988$; $p = .164$], and for 'valence of associations' [$F(1, 58) = 3.166$; $p = .080$] were not significant. But, as predicted, effects were statistically significant for an unfamiliar brand: $F(1, 58) = 4.951$, $p = .030$ for the Brand Evaluation Scale; and, more importantly, effects were stronger for the 'valence of associations' measurement [$F(1, 58) = 12.195$, $p = .0009$]. Thus, effects of memory distortions were more visible in the case of associative measures than anchored measures. In further analyses positive versus negative after-the-fact information has been taken into consideration. A repeated measures ANOVA has been carried out to establish effects of brand familiarity on memory distortions, separately under conditions of negative or positive information. It has been found that in the conditions of negative information there are stronger memory distortions for an unfamiliar brand [$F(1, 56) = 15.631$; $p = .0002$] as compared to familiar brand [$F(1, 56) = 1.660$; p = .203] for the Brand Evaluation Scale and, respectively, $F(1, 56) = 51.861$; $p <$

.0000001 and $F(1, 56) = 3.214$; $p = .078$, for the 'valence of associations' measurement. Evaluations as well as associations were recalled to be more negative. Hence, negative associations were joined to the memory and determined (distorted) a recall of previous evaluations. However, effects for positive after-the-fact information were not significant, both for the Brand Evaluation Scale and for the 'valence of associations' measurement. Moreover, it can be observed that the effects of memory distortions were stronger in the case of associative measures than anchored scales.

Familiar brands have a well developed associative network, well consolidated in memory (Campbell and Keller 2003; Dahlén and Lange 2004). Thus, familiar brands are less affected by competing claims from other brands (Pechmann and Stewart 1990) and more resistant to memory distortions. However, an associative structure of an unfamiliar brand is not well consolidated in memory and more susceptible to memory distortions. Schacter (1996; 2001) found that a process of consolidation of new information in memory can take days or even weeks. And until new information is not well consolidated in an associative network in memory, it is easy to create a false memory. Therefore, an associative network for a familiar brand is particularly susceptible to false information coming from different sources.
Positive versus Negative Information and Memory

## DISTORTIONS

According to hypothesis 2, negative after-the-fact information causes stronger memory distortions of an advertisement in an associative network than positive information. ANOVA for repeated measures revealed that it is easier to distort memory with the use of negative rather than positive information. Results are shown in figure 2. The main effect for positive versus negative information and the Brand Evaluation Scale (DV1 *before* and DV2 *after* after-the-fact information) was $F(1, 58) = 10.941$; $p = .002$ (figure 2A). The effect of information on the 'valence of associations' measurement was much stronger: $F(1, 58) = 20.638$; $p = .00003$ (figure 2B). More importantly, the effects of positive information on memory distortions were not significant. However, they were statistically significant in negative information conditions: in the case of the Brand Evaluation Scale, brand evaluation was distorted to be more negative *after* after-the-fact information than *before*: $F(1, 58) = 13.363$; $p = .0006$. The effect was much stronger for the 'valence

of associations' measurement: $F(1, 58) = 33.009$; $p < .0000001$.

## FIGURE 2. POSITIVE VERSUS NEGATIVE INFORMATION AND MEMORY DISTORTIONS
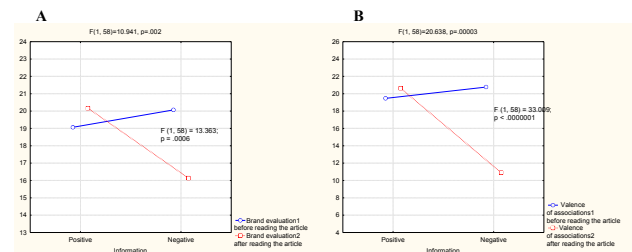


In further analyses a familiar versus an unfamiliar brand has been taken into consideration. A repeated measures ANOVA has been carried out to establish effects of positive versus negative information on memory distortions, separately under conditions of familiar or unfamiliar brands. Results were not significant for the familiar brand. However, in the case of the unfamiliar brand the main effect of positive versus negative information on memory distortions for the Brand Evaluation Scale was: $F(1, 56) = 5.850$; $p = .019$. Moreover, in the case of the unfamiliar brand, negative information distorted memory of evaluation [$F(1, 56) = 15.631$; $p = .0002$] more strongly than positive information (n.s.). The evaluation was recalled to be more negative than before reading negative information (newspaper article). The effects were much stronger for the 'valence of associations' measurement. The main effect of information (positive vs. negative) on memory distortion for the unfamiliar brand was: $F(1, 56) = 19.212$; $p = .00005$. However, the effect of negative information on memory distortion was significant [$F(1, 56) = 51.861$; $p < .0000001$], whereas the effect of positive information was not significant. This means that (in the case of an unfamiliar brand) negative after-the-fact information facilitates joining new (negative) associations to the memory network. Whereas the memory network is more resistant to positive after-the-fact information. These results can be explained in the light of the Affect Infusion Model (Forgas 1995; 2010). Negative information is processed more analytically, thus it is more susceptible to infusion. One can also refer here to the Paradoxical Negative Emotion (PNE) hypothesis according to which negative emotion generally facilitates memory but also heightens susceptibility to false memories (Porter et al. 2008).

Qualitative Analysis of New Associations

Additionally, a qualitative analysis of associations has been carried out. A dependent variable 'new associations' (i.e. associations which occurred *after* reading a newspaper article - after-the-fact information) and independent variables: brand (familiar vs. unfamiliar) and information (positive vs. negative), were used in a two-way ANOVA (figure 3).

**FIGURE 3. POSITIVE VERSUS NEGATIVE INFORMATION AND MEMORY DISTORTIONS, FOR FAMILIAR AND UNFAMILIAR BRAND**
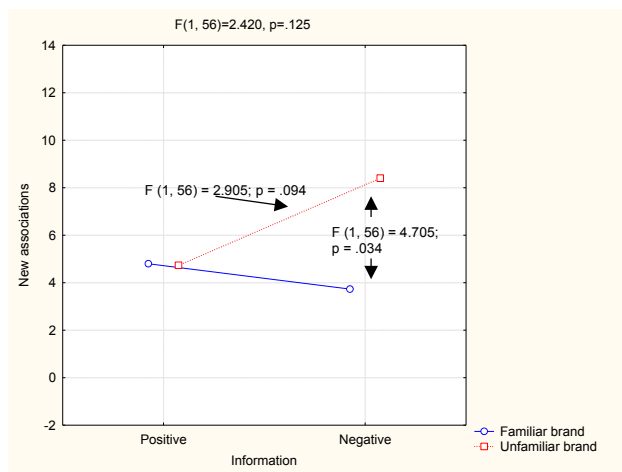


Results have shown that more new associations were joined to the memory for an unfamiliar than a familiar brand [$F(1, 56) = 4.705$; $p = .034$], after reading a *negative* newspaper article. A positive article did not distort the memory of any previous experience (of the advertisement). Analysis of variance has also shown that in the case of the unfamiliar brand, more new associations were joined to the memory after reading the negative than positive newspaper article (after-the-fact information) [$F(1, 56) = 2.905$; $p = .094$]. This means that it is easier to create false memory using negative as compared to positive information, but only for an unfamiliar brand, which has a weakly consolidated associative network in memory.

**CONCLUSIONS**

The research has shown the internal mechanisms of creating false memory of the brand, on the basis of associations which are activated by information coming from other sources than the consumers' previous experience with the brand. These mechanisms have not been investigated in previous studies on creating a false memory of marketing stimuli. It has

been found that it is easier to implant into memory new associations for an unfamiliar than familiar brand. The ads of familiar brands appeared to be considerably more resistant than those of unfamiliar brands. This is a result of an associative structure of the brand: an associative structure for an unfamiliar brand is not well consolidated in memory (Keller, 2008; Campbell, Keller 2003). Hence, knowledge of new brands can be easily distorted by pieces of information coming from different sources, which are joined to the knowledge of a brand. The essential, practical implication in regard to the creation of ads, particularly for unfamiliar and new brands, is to strengthen their resistance to memory distortions, for example by creating coherent advertisements. If particular elements of an advertisement provide similar associations, an ad is coherent and resistant to distortions. To protect the ad's coherence is important, initially, to effectively cope with the competitors. Such protection is particularly important for unfamiliar or less known brands (Grochowska and Falkowski 2010).

Our research has also shown that it is easier to distort the memory of an advertisement with negative rather than positive information. According to the Affect Infusion Model (Forgas 1995) and the Paradoxical Negative Emotion hypothesis (Porter et al. 2008), a negative affect facilitates joining new associations to the memory network, and create a false memory. These effects are particularly dangerous when competitors use negative comparative advertising. Pieces of negative information, as compared to positive, are more easily joined to the memory network and they can create a negative brand image.

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# Consumer Evaluations of Convergent Products: A Study of Consumer's Mental Construal and Product Category

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## ABSTRACT

Convergent products incorporating various functionalities into one device are common and popular nowadays. This research investigates the role of situational-, product-, and consumer-variations to a deeper understanding on consumer evaluations of convergent products. Results demonstrate that (1) the context-induced mental construal moderates the relationship between goal congruity and convergent product evaluations; (2) the moderating effect of product category is dependent on the presence of concrete product information; and (3) product category changes the moderating effect of mental construal. The findings are beneficial from both theoretical and managerial points of view.

## EXTENDED ABSTRACT

Convergent products (CPs) which incorporates various functionalities into one device are popular in computers, communications, and consumer-electronics industry (Yoffie, 1997). In the past, the mainstream is dedicated products delivering single functionality on a device; e.g. sending SMS on a pager. Nowadays, CPs are widely applied in people's daily life; for example, it's fairly common to see people reading e-books by their mobile phones or watching videos by their game players on the subway. It's worth to note that the emergence of CPs (e.g., the mobile phone with SMS functionality) may result in the death of existing products (e.g., the pager) and lead to a bigger movement in product development. To have the ability to anticipate and respond to market trends, firms always invest a lot in R&D and explore the feasibility of incorporating new functionality into existing products. It makes a deeper understanding of consumer evaluations toward CPs critical to product success.

Two major topics discussed in previous research are the best form maximizing the convergence synergy and factors determining CP evaluations (Angelis & Carpenter, 2009; Gill, 2008; Gill & Lei, 2009; Han et al., 2009; Kim et al., 2005; Mukherjee & Hoyer, 2001; Ziamou & Ratneshwar, 2003). Firstly, considering that most products introduced to consumers are CPs, the decision on best functionality mix of the added functionality and base product receives a lot of attentions recently (Gill, 2008; Gill & Lei, 2009; Ziamou & Ratneshwar, 2003). From company's perspective, it's to choose the base product to incorporate the new functionality. From consumer's perspective, various CPs (e.g., iPhone and HTC Evo as the mobile phone versus iPod touch as the mp3 player) incorporating the same added functionality (e.g., photo shooting) could satisfy the same consumer demand but result in different consumer preferences and behaviors (2011 Flickr statistics). It implies the importance of best functionality mix including specific added functionality and its corresponding base product.

Secondly, the goal congruity (i.e., sharing a common goal) between the added functionality and base product is argued to influence CP evaluations in a positive direction (Gill, 2008; Gill & Lei, 2009; Martin & Stewart, 2001; Ziamou & Ratneshwar, 2003). A number of factors such as product category or brand quality are also identified to moderate the extent of positive effect or even flip the direction. However, most of factors proposed are product-related, and little research has examined the impact of situational factors. Situational factors take into consideration the context in which consumers evaluate CPs and therefore may affect the goal congruity effect. In this research, we employ construal level theory to explore how the context-induced mental construal moderates the effect of goal congruity on CP evaluations.

Mental construal is the way people mentally represent the events, objects, and/or individuals encountered (Trope et al., 2007). Affluent research explores how context-induced mental construal influences consumer behavior (for a summary, see Dhar & Kim, 2007; Trope et al., 2007). It's suggested that facing psychologically distant (near) contextual cues encourages consumer to use more abstract (concrete) and high- (low-) level construal. It may influence consumer's mental representation (e.g., a smartphone) from a more abstract and superordinate manner in high-level construal (e.g., it's a digital product) to a more concrete and subordinate manner in low-level construal (e.g., it's HTC sensation XL with a large 4.3" high-resolution touchscreen; the beautiful white-color attracts women consumers but 4.3" is a little too big for a woman); and then change

the information processing style, the hierarchy of goal pursuit, and consumer evaluations and behaviors. Even though the role of mental construal is less discussed in CP research, some are still aware of its influences. Angelis & Carpenter (2009) propose that construal level moderates the relationship between the number of functionality and product attractiveness. Since construal level theory states that consumer using high- (low-) level construal is more likely to choose goal-congruent (goal-incongruent) options, it's inferred that consumer's mental construal may change the effect of goal congruity on CP evaluations (Aarts & Dijksterhuis, 2000; Chartrand & Bargh, 1996; Dhar, Nowlis, & Sherman, 2000; Fishbach & Dhar, 2005, 2006; Fishbach, Dhar, & Zhang, 2006).

Next, this research includes the product category to explore goal congruity effect in depth. A product/service is generally categorized as superior on hedonic or utilitarian dimension (Adaval, 2001; Dhar & Wertenbroch, 2000; Hirschman & Holbrook, 1982; Mano & Oliver, 1993; Pham, 1998; Snelders & Schoormans, 2004). In Gill's research (2008), it's proposed that incorporating a hedonic (utilitarian) functionality to a goal-incongruent base product will increase (decrease) the hedonic value and then increase (decrease) the incremental value of CPs. Based on Gill's findings, we examine the impact of product category from different information processing styles. Abstract attributes (e.g., goal congruity) are more useful and referential for consumers in judging hedonic products (Petty & Cacioppo, 1986; Snelders & Schoormans, 2004). Therefore, the effect of goal congruity on CPs with hedonic added functionality exists in both concrete information present/absent conditions. On the contrary, consumer is more likely to make judgment by concrete attributes (e.g., technical specifications) in evaluating utilitarian products. Stronger goal congruity effect exists on CPs with utilitarian added functionality when concrete information is absent. Furthermore, we investigate how mental construal and product category simultaneously affect the goal congruity effect. Previous research suggests that the fit in information processing style strengthens consumer evaluations and behavior intentions (Forster & Higgins, 2005; Kim & John, 2008; Kim et al., 2009; Pennington & Roese, 2003; White et al., 2011). Applying to CP research, the fit of global and abstract (local and concrete) processing between high- (low-) level construal and hedonic (utilitarian) added functionality encourages consumer to make

evaluations by goal congruity (concrete product information). In other words, the more (less) favorable evaluations toward goal-congruent (goal-incongruent) options affected by high-level construal may further increase (decrease), whereas the more (less) favorable evaluations toward goal-incongruent (goal-congruent) options affected by low-level construal may further decrease (increase).

A series of experiments were conducted to examine the moderating effects of mental construal and product category. Study 1 examined how construal level manipulated by different temporal distances affects consumer evaluations of two CPs: incorporating walk TV watching functionality to a goal-congruent game player and to a goal-incongruent electronic dictionary (Day & Bartels, 2004; Kim, Khan, & Dhar, 2008; Nussbaum, Trope, & Liberman, 2003). Product ownership was measured as a control variable. Study 2 examined how product category affects consumer evaluations of four CPs: incorporating a utilitarian voice recording (hedonic walk TV watching) functionality to a goal-congruent electronic dictionary (game player) or to a goal-incongruent game player (electronic dictionary). Concrete information was manipulated by providing detailed price, technical specifications and product appearance or not providing. Study 3 considered the impact of construal level and product category simultaneously. Construal level was manipulated by a why-and-how task (Freitas, Gollwitzer, & Trope, 2004). Product ownership and product involvement were measured as control variables. Dependent variable in three experiments was incremental product evaluations measured by three items: attractiveness, goodness, and desirability in a 9-point scale (Adaval, 2001).

Empirical results support our hypotheses that firstly, consumer's mental construal moderates the goal congruity- CP evaluation relationship. Participants using high- (low-) level construal are more likely to increase CP evaluations on goal-congruent (goal-incongruent) options. Secondly, the moderating effect of product category is dependent on the presence of concrete product information. For those participants provided with concrete information, goal congruity effect exists on CPs with hedonic- instead of utilitarian-added functionality and leads to asymmetric goal congruity effect. At last, the hedonic (utilitarian) added functionality strengthened (weakened) the moderating effect of high- (low-) level construal on the goal congruity- CP evaluation

relationship.

The findings are beneficial from both theoretical and managerial points of view. Firstly, this research extends the research on CP evaluations by investigating consumer-, situational-, and product-variations. It's demonstrated that the context-induced mental construal changes the effect of goal congruity on CP evaluations. In addition, the asymmetric goal congruity effect resulting from product category is dependent on the presence of concrete information. Furthermore, the product category of added functionality changes how mental construal moderates the goal congruity- CP evaluation relationship. Secondly, consumer insights obtained from the findings are beneficial to competitive convergence strategy and effective marketing communication strategy. Based on the product category of added functionality and the degree of goal congruity between the added functionality and base product, firms are capable of developing competitive convergence strategy by choosing the base product to maximize the convergence synergy. In addition, the findings highlight the critical role of consumer's mental construal in marketing communications. It's usually a difficult decision for firms to decide from global/abstract (e.g., brand value) and local/concrete appeals (e.g., the strength of concrete attributes). According to the findings, firms are capable of developing effective marketing communication strategy by managing contextual settings to manipulate consumer's mental construal in every contact points to enhance CP evaluations: either depicting an abstract and high-level appeal such as a desired life themes and values, or emphasizing product strengths or benefits sought in a concrete and low-level statement (Huffman, Ratneshwar, & Mick, 2000).

## ACKNOWLEDGMENTS

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# Using Pictorial Collages in User-centred Construction of a Creative and Effective Learning Environment

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## ABSTRACT

The paper adopts a user-centred approach to the construction of a creative and effective learning environment for business students. The literature review introduces the earlier theoretical discussion on internal, external and virtual learning environments. A projective collage technique is applied to reveal the students' ideas and thoughts concerning their studies. These meanings include tensions between (a) business and pleasure, (b) I and others, (c) concentration and inspiration as well as (d) safe and extraordinary. A metaphor of a safety net is used to illustrate the creation of the learning environment. The paper provides suggestions for how teachers can create and maintain a creative and effective learning environment.

**Key words:** learning environment, marketing students, projective techniques, content analysis

## INTRODUCTION

Contemporary pedagogical approaches emphasise learner orientation rather than teaching orientation (Zepke, Leach and Prebble 2006). Instead of shallow learning strategies, pedagogy needs to focus on constructive, deep understanding. Frameworks such as constructive alignment provide tools for teachers to enhance deep learning among students (Biggs and Tang 2007, 50-54). The size and the form of the place of learning govern much of the teaching that happens. Although its influence will vary from teacher to teacher, the physical environment plays a significant role in how teachers approach their teaching or how they view what is possible within a particular place (Jamieson et al. 2000).

The success of a learning-oriented perspective depends on the creation of an effective learning environment (Gonzalez et al. 2004). Researchers have suggested that an integrated learning environment improves students' ability to be creative and effective in solving problems in different contexts (Eickmann, Kolb and Kolb 2004); nevertheless, learning programmes still focus more on activities, and less on space and place (Beard and Wilson 2006, 79).

Classrooms have remained very similar for over 100 years, and some scholars have argued that they have been designed more to facilitate the work of teachers than to support learning (Beard and Wilson 2006, 80-81). The slightly sarcastic argument has been put forth that we know more about how to prevent heat loss in designing learning environments than learning loss (Higgins et al. 2005). In spite of these provocative arguments, it seems clear that we have a limited understanding of how the physical space enables teaching and learning (Neill and Etheridge 2008).

According to Higgins et al. (2005), the research that has been done is largely predicated on a traditional view of "chalk and talk" learning in standardised "one-for-all" institutions. However, our understanding of teaching and learning is evolving in a more constructive direction, and thus learning environments also need to be redesigned to reflect the changes in pedagogical development (Bransford 2000, 131). Even though there is a growing body of literature on learning environments in a broad sense (Herrington and Herrington 2005; Paladino 2008), more research is needed to understand the design of more integrated learning environments.

Furthermore, earlier studies on learning environment research neglect to focus on the end-users, even though successful innovation processes are argued to require a deep understanding of customers or end-users (Olson, Waltersdorff and Forr 2008). Also, Higgins et al. (2005) point out that in order to design a learning environment successfully, it is vital to involve the end-users in the design process. Thus, in this study, the end-users' thoughts and feelings are taken as a starting point for creating the learning environment.

The aim of this study is to construct suggestions for developing a creative and effective learning environment. First, a brief literature review introduces the earlier research on internal, external and virtual learning environments. Second, I apply a projective collage technique to reveal the students' ideas and thoughts concerning their studies, and discuss the results alongside relevant earlier literature on learning environments. Third, I apply this knowledge in the creation of a model of a creative and effective learning environment. Finally, the paper provides suggestions for how teachers can create and maintain a learning environment. This study contributes to the

development of learning environments that support students' learning processes.

## IDENTIFYING DIFFERENT LEARNING ENVIRONMENTS

Learning goes on all the time and in all kinds of places (Chism 2006). Typical learning environments include lecture halls, laboratories and libraries. That said, a learning environment in a broad sense is not just a particular place, but also encompasses the factors – internal, external and virtual – that affect the learning process (Koli 2003).

*The internal learning environment* is the mind of the learner, including earlier experiences, beliefs, fears, emotions, skills, knowledge, motivation, learning styles, approaches to learning and other factors that affect how the student learns (Koli 2003). Approaches to learning reflect the individual differences in the strategies students use to achieve a learning task. The deep approach to learning involves trying to find and understand the meaning of the ideas; it is a holistic process, where the student is looking at the broad picture and actively aims to relate the ideas to his or her previous knowledge and looks for patterns and underlying principles. The surface approach involves coping with course requirements, reproducing content and routinely memorising facts and procedures in order to complete the given tasks with minimum effort. A strategic approach refers to organised, self-regulated studying that involves managing time and effort effectively and being alert to assessment requirements and criteria (Entwistle and Peterson, 2004). The internal learning environment is crucial in learning; especially, subjective attitudes, beliefs and emotions may either enhance or hinder learning (Andersson 2006). Although teaching and coaching can help change attitudes, it is up to the individual herself to accomplish the mental change.

*The external learning environment* includes the physical and social environment that can be changed and altered by other people (Koli 2003). The starting point for creating a learning environment is to consider what is taught, how it is taught and how it is assessed (Biggs 1996). However, the physical environment – such as lecture halls and libraries – also affects the learning process (Koli 2003). Basic physical variables such as air quality, temperature and noise have a strong, consistent influence on learning. However, once minimal standards are attained, the effect seems to be less significant. Other variables such as acoustics, lighting and colour may have an impact on

learning, but the relationship remains more complex (Higgins et al. 2005). The external environment can be designed to enhance certain moods or mind states (Beard and Wilson 2006: 82), thereby also affecting the internal learning environment. Environments that elicit positive emotional responses may lead not only to enhanced learning, but also to a powerful, emotional attachment to the place (Graez 2006). On the other hand, environments that cause discomfort may hinder learning. For example, unreliable Internet connections, slow computers, and indifferent or aggressive teachers may be factors that dampen the motivation of even the most eager students.

Social factors such as faculty, coaches, other students and different working groups all affect the learning process. Indeed, the teacher's input may be crucial in creating an interactive and responsive environment that inspires learning (Paladino 2008). Gonzalez et al. (2004) point out that social capital is a crucial building block in an effective learning environment. It consists of four factors, namely connections among students, building trust with students, establishing shared values with students and providing equitable opportunities for students. The more of these factors are present, the higher the social capital of the learning environment. Higher social capital will lead to collaboration, commitment and a positive learning environment.

Physical learning environments are places, but new technologies and online environments are referred to as spaces (Jamieson et al. 2000) or *virtual learning environments*. The most traditional form of such a learning space is a computer that provides the student with different kinds of materials such as videos, lecture notes and exercises on some topic. It can be structured as a course or it may just be a space that contains information (Koli and Silander 2003). Internet-based virtual worlds such as Second Life are three-dimensional communities that mimic the real world without physical limitations, aiming at creating real world experiences in virtual world environments (Tuten 2009) while also highlighting social and interactive aspects, thereby seeking to build social capital in virtual life. A virtual learning environment can also take the form of a game, that is, "edutainment", education and entertainment put together (Hietanen and Rubin 2004). More recently, the rise of social media such as YouTube, Facebook, Twitter and blogs is opening up new dimensions of virtual learning environments (Granitz and Pitt 2011). However, even if technological tools may enhance the

learning experience, many students wish for human presence and guidance (McGabe and Meuter 2011, Buzzard et al. 2011).

The internal, external and virtual are closely connected to each other. Together they form the context, atmosphere and circumstances in which the learning takes place (Koli 2003). One of the challenges is to construct environments that support a student's experiential learning process (Kolb 1984). For example, students may be resistant to adopting creative practices due to barriers to expressing creativity such as fear of failure, fear of doing something different and fear of taking risks (Anderson 2006), all of which arise from the internal learning environment. Thus the external learning environment should support students' creativity, facilitate trial-and-error, build up the confidence of students and help their thinking. Also, curricula impose time and budget constraints on teaching and learning. For example, student project work needs to be completed in a certain timeframe. It can be asked whether an effective learning environment that enhances deep learning can also account for these time and possible budget constraints.

Future learning environments should enable greater flexibility and mobility of people, knowledge, furniture and other artefacts (Beard and Wilson 2006, 80). They should allow for multiple modes of instruction and learning. The flexibility of the learning environment has been found to contribute positively to student engagement, collaboration, flexibility and learning (Neill and Etheridge 2008). Activating the learning environment fosters quality interactions among students and between students and teachers (Meeuwisse et al. 2010), helping students to integrate (Prince 2004), to feel they belong (Umbach and Wawrzynski 2005) and to achieve good study results (Zepke et al. 2006).

The extent to which and the ways in which the users are engaged in the learning environment design process determine the success or failure of the resulting design. There are no off-the-shelf solutions; – the users' ability to articulate a distinctive vision for their learning environment is what matters. Indeed, no single design solution will work forever. User involvement must be continually refreshed and iterated to support ongoing change. This also provides the users with a sense of ownership of the learning environment (Higgins et al. 2005).

## METHODOLOGY

The study was conducted in the Business School of the University of Vaasa, Finland. The researcher chose to gather data from a master's level (4th year) marketing course with 20 students. This course is pedagogically based on experiential learning (Kolb 1984). The course requires full-time marketing students to work in teams of 3-4 students and solve authentic real-life development projects for companies. The learning objectives emphasise the skills of project management, creative problem solving and teamwork skills. In order to pass the course, the students have to be bold and do something completely new and work in an area where there are no right answers; in this effort, they need to be creative and have professional know-how in different aspects of marketing.

In order to collect data for this study, the researcher used a pictorial collage technique. It is a method in which participants are asked to represent a phenomenon visually by composing and gluing a collage of images, drawings and texts on a piece of cardboard. This collage is then used as a stimulus for discussion in the interviews (Moisander and Valtonen 2006, 96). The collage technique requires people to use metaphors, that is, they must experience and explain one thing in terms of another. Metaphors are powerful because they reveal thoughts, feelings and experiences (Zaltman 1997).

The students were asked to collect pictures, words, photos or other materials that elaborate their thoughts and feelings on the topic of "my studies". In order to produce metaphors related to the theme, the students were instructed not to include pictures of their studies. This broad theme was chosen in order to understand different kinds of learning environments and to ensure that the students would not focus on only a limited number of topics. The students were asked to glue the pictures onto an A3 sheet of paper.

Altogether, the students completed 20 collages. The pictures used in the collages were diverse in nature. The students also cut text out of magazines and glued these onto the collages. After completing the collages, the students were interviewed in six groups. The first group was interviewed by the researcher; the later groups were interviewed by three students. The interviews followed the Z-met method (Zaltman 1997; Zaltman and Coulter 1995), where (a) the students were asked to openly describe their collages and explain why they chose certain pictures and words in order to elaborate the meanings attached to different pictures. (b) They were asked to group

the pictures in different themes and elaborate on those themes. (c) They were asked to point out if some pictures seemed to be more important to them than others and then to explain whether some pictures hid deeper meanings, secrets that the pictures do not show and things that happen outside of their borders. (d) The students were asked to tell what kinds of colours, smells and feelings they associated with the picture. (e) In the end the students were asked how they understand the concept of the learning environment and what kinds of learning environments they use, when and why.

The data consists of the collages and the interview reports. The data was analysed using qualitative content analysis (Miles and Huberman 1984). First, the interview transcriptions were read through several times and, second, the data was coded inductively based on the meanings that emerged from the data. Third, the coded data was categorised into different themes and finally the categories were grouped together on the basis of similarity and difference. Eight abstract themes emerged and these were further combined to form four categories, representing the tension between the themes (Spiggle 1994). The analysis was done at aggregate level and thus differences between different collages are not evaluated.

## MEANINGS ATTACHED TO LEARNING ENVIRONMENTS

The data enabled the researcher to gain rich information about students' thoughts concerning their studies and different learning environments. The four aggregate themes include opposing themes and are termed (a) business and pleasure, (b) I and others, (c) concentration and inspiration and (d) safe and extraordinary. These are elaborated below. The extracts from the interviews are translated from Finnish and are coded with sex and identity number.
Business and pleasure

*Business* refers to everyday learning activities, such as attending lectures, completing exercises, doing teamwork and passing exams. The students described these activities as being hard work, as they need to schedule lectures and assignments in order to do them properly and reach their goals. As for places, the students considered that business involves traditional learning environments such as lecture halls and exercise rooms. Indeed, business has a goal orientation that reveals an emphasis on a strategic approach to learning (Entwistle and Peterson 2004).

Students stated that their future goals were to get a diploma from the school or a good job. Some students emphasised the learning process itself, taking a deep approach to learning (Enstwistle and Peterson 2004). Some students were afraid of not reaching the level of learning that was expected in their future jobs. Many students stated that their hard work was stressful, placing them under great time pressure. They even described the feelings they attached to these pictures as being depressing. However, the students also mentioned that they felt success and joy when they completed hard work.

"This picture in the middle symbolises the working life I'm heading towards and what my future job could be like. A stylish environment, some kind of marketing job that involves trends, co-workers about the same age, a youthful workplace, one that is in the spirit of the times." (2, female)

As a counterbalance to hard work, the students mentioned free time, relaxation and breaks. Opposed to business, pleasure was often situated outside of the university area. The students stated that parties, get-togethers with other students, exchange programmes and travelling helped them to cope with hard work and business.

This part of my collage symbolises relaxation and chilling out. This is what you need to counterbalance your studies. (5, female).

An important environment within the university campus was the campus café. It is a place where students can have a break, drink some coffee, chat with friends and also do some teamwork. These situations were described as being more creative and inspirational, as opposed to stressful lectures, teamwork or concentrated studying alone.

**I and others**
The learning environments were shaped by individual and social aspects. The individual learning environment sets the goals and plans for the studies. The students described their goals in a self-centred manner as *my* goals, *my* studies, *my* life or *my* future. Also, there was an emphasis on describing what an individual does – how he studies, what he feels and how he pursues his goals. In fact, even if some exercise such as team or project work is assessed at a group level, most assessments focus on the individual. Also, the final grades are individual. Again, this refers to organised studying (Entwistle and Peterson 2004).

The students mentioned their social environment several times, revealing its importance.

Friends, teamwork, social networks, parties and communality emphasised the social aspects of learning. Also, Meeuwisse et al. (2010) found that students' informal relationships with fellow students led to a sense of belonging and thereby helped their academic progress. Teamwork and working groups were mostly mentioned in positive terms, serving to challenge thinking, enhance learning and deepen understanding. Sometimes the students described teamwork as being depressing and stressful, for example if the group did not work well or if there were freeloaders present in the group.

"Here is a picture where guys are carrying wood. It symbolises communality, friendship, socialisation and teamwork. When we study, everyone does their own thing, but at the same time we all are here studying together in the same place and helping each other." (3, female)

Larger social networks develop over time not only in university surroundings, but also at parties and other social gatherings. Students noted that the networks and social community they build during their studies are important in helping them grow as a person and making life-long friendships – and that these networks may even help them later in life.

"And your networks are important. During your studies, you create networks that are helpful to you later, both when looking for a job or socially. Also, study time and interaction among students makes you grow as a person." (12, male)

The social aspect has been noted in earlier studies as well. Paladino (2008) discusses how creating an interactive and responsive teaching environment inspires learning. She proposes engaging in problem-based teaching and collaborative learning to foster discussions between students and between faculty members and students. This leads to growth in social capital (Gonzalez et al. 2004) and enhances learning. Also, Chism (2006) notes that the social setting greatly influences learning and this should be considered in, for example, seating arrangements.

## CONCENTRATION AND INSPIRATION

Learning environments that support focused studying help the students to concentrate on their given tasks. Students needed to have focused concentration and the time to read and think alone in order to go deep into the topics and to memorise and understand things. The library and home as physical environments were mentioned as learning environments that support peaceful, concentrative studying. The campus library features a scenic window with a view of the sea – the students mentioned this window several times as something that helped them concentrate when reading alone in the library.

"I made this collage at home. I wanted to do it in peace. In the library I would not have been as creative or thought so freely about things. You go to the library to study hard and memorise – it's a more serious place." (1, female)

Whereas concentrative studying was seen as happening at the university, inspiration and creativity were often considered to happen outside the university campus. An exception to this was the campus café, which provided an important meeting place where students could engage in inspiring teamwork. Students described how they gained inspiration from creative stimuli – seeing, trying and learning new things. However, faculty and teachers may provide inspiration by, for example, introducing active and collaborative learning techniques and engaging students in real-life experiences (Umbach and Wawrzynski 2005).

## SAFE AND EXTRAORDINARY

Successful learning needs an environment where the students feel basic security. As a theme, *safe* refers to a situation in which students know what to do and what is expected from them. The years students spend at university comprise an important phase in their lives. It is also a period of time when they can still make mistakes and learn from them. They need a feeling of safety for trying new things, discussing ideas with other students and with coaches. They do not have to know all the right answers yet, and they need to engage in trial and error in order to understand things deeply. Students need to feel secure in expressing their own ideas without the fear of being laughed at. Indeed, a good learning environment provides the *"licence to make mistakes" (6, female)*. This secure foundation allows students to set their sights on tackling more challenging, controversial and ambiguous problems. The theme of security is in line with the findings of Andersson (2006), who found that MBA students were afraid of making mistakes and losing face in front of their peers. A secure environment encourages trial and error processes that foster deep learning.

"To be able to study, one must have a feeling of a basic security, concentration, creativity and self-discipline." (2, female)

When one is in a safe environment, it is easier to try something new, step into new and unknown

territory, challenge oneself and try new things. However, it seemed that the local university milieu was more effective at serving as a safe platform than providing extraordinary new events. Students sought extraordinary experiences from trainee programmes and travelling.

"This picture of an aeroplane illustrates that I was on a traineeship and I am going again. In its own way, studying is travelling. You learn a lot from travelling. During traineeships one can learn so much more than if you were just studying in Finland." (2, female)

Chism (2006) points out that environments that provide experiences, stimulate the senses, encourage the exchange of information and offer opportunities for rehearsal, feedback, application and transfer are most likely to support learning. Chow and Healey (2008) conducted a study where they followed first-year university students who were making the transition from home to university. This transition involves changes for students and is frequently greeted with mixed feelings. While moving to university, some students distance themselves from their existing social support networks like family and close friends. Some students experienced feelings of displacement as they left their home, which had provided them with safety, security and identity (McAndrew 1998). Thus, at the beginning of the studies, the role of university learning environments is to provide safe places, whereas later in the studies, their role is more to serve as sources of inspiration and challenges.

## CONCLUSIONS

This study started by asking what would be a creative and effective learning environment for master's level business students. A projective collage technique was used in order to reveal students' ideas and thoughts concerning their studies. The results show a wide range of meanings, and, indeed, the university years comprise an important phase in students' lives. Based on these meanings, the researcher constructed a metaphor of a safety net. It represents a creative and effective learning environment that can enhance the students' learning. The safety net is presented in Figure 1.
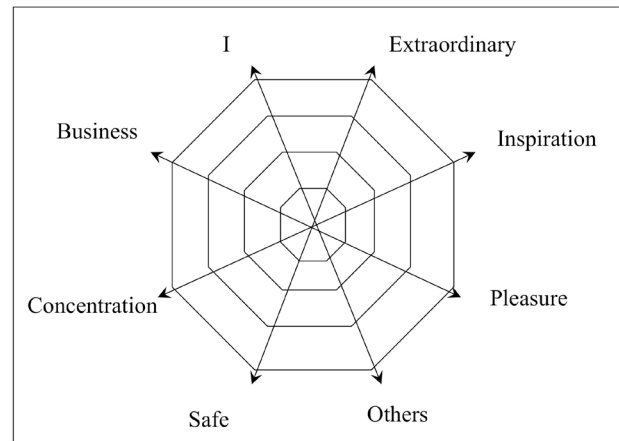


*Figure 1. A safety net – dimensions of a creative and effective learning environment.*

Teachers and faculty can support students' deep experiential learning processes by creating and maintaining a learning environment that supports creativity and effectiveness. This can be done on several levels, such as at the university, faculty, programme, course or class levels. Based on the results gained from this study, several practical suggestions can be made.

First, *business* is maintained at the level of professional know-how, for example, using context-dependent experiential learning, such as real-life applications and contextual problems. The focus is on gaining professional know-how. The business factor can enhance professional development by revealing the tacit knowledge involved in working life, for example, when students negotiate with entrepreneurs about a project plan. The business factor also includes the technical characteristics of the learning environment. This business can be softened with *pleasure*, that is, by introducing comfortable and pleasurable aspects into the learning environment. Coffee breaks, small talk with entrepreneurs, listening to music, surfing on the web, comfortable sofas and reading areas make the learning environment a second living room for students. This makes the learning experience more holistic and memorable.

Second, higher education learning is learning for one's own benefit, and thus the *I*-factor is important. Each student earns his or her own degree and this makes university learning individually-oriented. Teachers can support this by enhancing the professional development of students – that is, not only their skills and knowledge, but also self-understanding, self-esteem and career development. However, *others* and social capital are extremely

important for the learning environment. Teachers may enhance the creation of social capital by means of team-building exercises and team coaching. Teamwork can be used, but team coaching is needed to overcome the problems in teamwork. Working in different kinds of teams, some of which may be cross-functional, cross-organisational and/or international, will create wide social networks for students, even though at the same time it may mean new challenges for teamwork.

Third, for the students studying also meant balancing between concentration and inspiration. *Concentration* can be enhanced by means such as constructive alignment (Biggs 1996) in order to give students clear ideas on where to focus in learning. A teacher can explain clear learning objectives, plan methods suitable for reaching those objectives and assess the outcomes. This helps the students to know where to put their focus and what the most important things to study are. Students found that they could focus and concentrate in places like libraries, where it is quiet. Also in libraries one sees others who are studying, which may produce social pressure to stay focused. Teachers can bring *inspiration* into the learning environment in several ways. Inspirational guest speakers, new creative methods, new technical tools, moving to other places and doing something unexpected may help the students to "think outside the box", get inspired and even reach a flow state. When students put their mind (concentration) and effort to the topic they often get inspired by the topic itself. For example, qualitative user data gathering for project work has often involved and inspired the students to work hard and learn more.

Fourth, the feeling of *safety* and basic security is important in enabling a person to be more creative and open-minded. Indeed, in the first phases, teachers need to foster a safe environment. Teachers can support discussion on different solutions and multiple ways of reaching the solutions. Also, it is eye-opening for the students when the same development problem is posed to many student groups and the groups reach very different but equally valid solutions by the end of the course. However, later on the students can be pushed further away from their comfort zones to try something *extraordinary*. This can be done by introducing new challenges into the project, such as by incorporating cross-functional or international teamwork. Working in special environments such as designers' labs, overseas or simulators may provide extraordinary experiences.

This study has focused on constructing a learning environment that supports students' learning. The model of the learning environment should not be considered to be set in stone. The social capital and the ownership of the learning environment are redesigned every time a new student group starts to work. Thus the learning environment needs to maintain flexibility over time; it should allow different learning, working and teaching styles to flourish. Teachers may enhance the learning experience by using the different dimensions presented in this paper to guide their teaching.

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# Store Loyalty: A Relationship Perspective

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## ABSTRACT

Counter to mainstream definitions, findings suggest: not all store loyalty is similar in terms of strength and character; some store relationships not categorised as loyal are especially meaningful for the individual; some store relationships defined as loyal do not possess characteristics of commitment or relationship strength at all.

## BACKGROUND

Consumer loyalty research can be traced back to Copeland (1923) and subsequently two groups emerged; the 'psychological camp' and the 'anthropological/sociological camp' (Fournier and Yao, 1997). The former focuses on cognitive processes for development of brand/store attitude and psychological commitment and the resultant repeat purchase behaviour, whereas the latter emphasises the emotive and relational aspects of consumer loyalty. The extant literature shows that mainstream consumer loyalty has been dominated by the 'cognitive/psychological' approach, however the emotive, experiential and relational aspects of loyalty behaviour are attracting increasing attention. For example, ideas such as emotional connections and brand love have been suggested describing consumer loyalty behaviour (e.g., Fullman and Gross, 2004; Berry and Carbon, 2007; Carol and Ahuvia, 2006); emotional connections between employees and customers can generate exceptional service quality and service loyalty (e.g., Reynolds and Arnould, 2000; Sierra and McQuitty, 2005; Moris, et al, 2005); emotional connections between consumers and organizations can feature higher levels of meanings and commitment for consumers (Berry and Carbone, 2007). In addition, interpersonal relationships have been found to be more important than tangible products for the formation of service loyalty (e.g., Macintosh and Lockshin, 1997; Wong and Sohal, 2003; Chao, et al, 2007; Han et al, 2008). Thus, it is argued that it is necessary to focus more on the emotive and relational aspects of loyalty behaviour in order to gain deeper understanding of consumer loyalty. Fournier and Yao (1997) conceptualised brand loyalty within the framework of consumer brand relationships by employing interpersonal relationship theory as the theoretical framework. Despite such developments in understanding, measuring and leveraging consumer brand loyalty, in the store loyalty domain, the cognitive approach is still dominant. This research conceptualises store loyalty through the framework of consumer-store relationships and explores why, and in what sense, store loyalty exists.

## RESEARCH METHOD (SUMMARY)

In-depth interviews were conducted in the UK based on the existential phenomenological approach to explore women's lived experience of consumption and grocery shopping. All participants were women employed outside the home. They were invited to share their experiences of shopping in stores to which they felt a sense of loyalty (based on the mainstream store loyalty definition). The data were analysed and interpreted following hermeneutic method.

## FINDINGS

The analysis generated three central insights/themes into store loyalty as defined according to traditional hybrid definitions. In terms of theme one, the research revealed the diverse nature of consumer store loyal relationships. Indeed, metaphors from interpersonal relationships can vividly express the features of these consumer store relationships such as 'committed partnership', 'kinship' and 'best friends'. These strong relationships have developed from store-self connection formed at the level of life themes. All these loyal relationships are grounded in the predictability of the performance of the store partners and the sense of control consumers can get in their hectic mundane life. This store and life-theme connection proposition (Fournier and Yao, 1997) can further extend our understanding of the factors motivating the formation of store loyalties beyond the store image congruence theories (Sirgy,1982; Sirgy, et al, 2000).

In terms of theme two, the research also revealed the diverse nature of consumer non-loyal relationships. We have identified two positive non-loyal relationships ('compartmentalised friendship', 'childhood friendship'). These relationships are categorized as 'non-loyal' according to the mainstream

store loyalty criteria in terms of the frequency they visit the store and amount of money they spend in the store. For the 'compartmentalized friendship', it is characterised by highly situation-confined enduring friendship with low intimacy than other type of friendship but with higher socio-emotional rewards and interdependence. Indeed, consumers may shop in stores only on special occasions. But these stores can represent their ideal self and ideal social/ presenting self. Thus, there can be high expressive interdependence between consumers and the stores. With regard to 'childhood friendship', consumers can engage in the affective relationship, which can be dated back to their childhood and indicative of their early life themes. However, due to the changes of life circumstances, these stores cannot be their main store for their grocery shopping. Thus, they are not 'loyal' to these stores, but these shops can have deep and significant connections with them and can be meaningful for their self concept maintenance.

With regard to theme three, the research also revealed that some 'loyal' relationships according to the mainstream store loyalty criteria (frequency for visiting and amount of money spent in store), do not entail much meaning for consumers at all. We term this type of relationship as 'marriage of convenience'. Indeed, on the surface, consumers' relationship with the store can appear long-term and committed. However, it is due to external constraints rather than deliberate choice. Commitment can be externally driven, i.e., exogenous commitment (commitment to content). It is 'locked in' loyalty.

## DISCUSSION

Store loyalty brings to mind such a wide range of meanings and individual interpretations that 'loyalty concept' or even 'loyal relationships' cannot capture them (Fournier and Yao, 1997). Strong store-customer bonds also reveal diversity in the character (e.g., committed relationship, best friends, kinship, childhood friendship, etc), depth (connection to the life theme or other aspects of self and identity), and consequences of loyalty. Indeed, these distinctive characteristics of diverse loyalty forms require tailored marketing actions for the development and management over time.

Participant's store loyalty stories reveal that the culturally-biased assumption of loyalty as exclusive partnership cannot apply to the consumer store loyalty domain. No participant has described having an exclusive store relationship. Participants

see grocery shopping not just as a provisioning process but also as fulfilling their life role task and an important element of role identity (Woodruffe-Burton and Wakenshaw, 2011). Even though they may claim that they have a favourite store, they often have to juggle between various stores due to situational and other factors. As long as the preferred store remains a place to support their life role tasks, to give them some other values for them to maintain and construct various aspects of self and identity, they will maintain a regular and meaningful place in participants' lives. As Fournier and Yao (1997) suggested that expression of loyalty does not need to be associated with exclusivity. What is more important is their emotional attachment and sincerity intention over time.

A consumer-based conception of store loyalty cannot recognise multi-store relationships. Even the strongest of consumer-store bonds seems to align various value constellations (functional, hedonic, symbolic and expressive) with the focus on reconciliation of the various aspects and levels of self and identity that postmodern consumers have to juggle (Firat et al, 1995). With a meaning-based perspective, we are able to address the 'contextual, temporal and evolutionary aspects' (Fournier and Yao, 1997, p. 467) of participants' store choices. Indeed, this perspective can be a meaningful lens through which to explore the lived experiences of consumer store loyalty phenomena and to expand our view of consumer store loyalty from consumers' loyal store connections to the meaningful relationships consumers form with the stores they shop. The research showed that all the participants have a store constellation for their grocery shopping. The analysis also suggests that the meaningful and the individual-assigned consumer-store relationships can be of interest to retailers and more importantly, how they can manage these relationships according to their different relationship qualities of the consumer-store connection. Indeed, as Fournier and Yao (1997) suggested that a shift is needed from the existing 'share-based' to 'meaning based' perspective. The store loyalty analysis can really capture the 'richness, sensitivity and consumer-relevance' (p.468).

## CONCLUSION

This study extended Fournier and Yao's (1997) study from brand domain to retailing/store context. The research shows that the relationship perspective is a useful approach to the conceptualisation and

measurement of store loyalty and may be extended to other domains and contexts. However, this relationship perspective has not been tested against other alternative theoretical frameworks and the predictive validity of the research findings has not been examined. Thus, further research is proposed to validate and generalise the findings in this store loyalty research with appropriate methods.

This study has practical implications for retailers. By moving from share-based exclusive psychological commitment to a broader relationship framework, managers can gain rich insights and information which will enable them to conduct marketing segmentation studies. Managers can further design strategies to develop, enhance and maintain consumer-store relationships. In addition, by viewing the scope of store relationships, managers can pay more attention to the variances of interactions between consumers and stores and the diversities and the heterogeneity of customers and their relationships with stores.

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# Reconstructing Time: Do the Parts Add Up to the Whole?

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## ABSTRACT

Extant research in time perceptions consistently offers a "discrete explanation" for misestimating time: longer duration judgements are associated with more interval-filling information being recalled from memory and vice versa. Using a 2x3 experimental design, this study finds evidence to advance an "event-partonomy explanation". Compared to a bottom-up reconstruction, individuals who are cued to perform a top-down reconstruction produced shorter duration estimates. This effect was enhanced by memory decay. Moreover, given a series of segments which collectively make up a whole event "the sum of the parts is greater than the whole", which is also enhanced by memory decay.

## EXTENDED ABSTRACT

Consumers engage in consumption of time-saving products or in different time-consuming activities in order to take more control of their work, leisure and family times (Bates *et al.*, 2006; Bettany and Gatrell, 2009). Thus, marketers may wish to reduce consumers' perceptions of elapsed times (i.e., watching TV while waiting in line), or to increase elapsed time perceptions (watching TV as part of time spent with the family or leisure time).

Extant research in time perceptions advance that individuals store and retrieve interval-filling information as a proxy to real time when making duration judgements (Areni and Grantham 2009; Bailey and Areni, 2006; Hee-Kyung et al., 2009; Kundera, 1999; Mattel and Meck, 2000; Staddon and Higa, 2006). As a sweeping generality, evidence consistently offers a "discrete explanation" for estimating time: longer duration judgements are associated with more interval-filling information being recalled from memory and vice versa. However, it is unlikely that only the quantity of discrete time-filling information can account for all the biases underlying the subjective experience of the passage of time. Applying research in reconstruction of events and objects (Abbot et al. 1985; Hubbard, 1994; Zacks and Tversky, 2001) to reconstructing time, the event-partonomy explanation advances that time perceptions are affected by the strategies that individuals use to reconstruct past events.

Drawing on work in memory psychophysics (Hubbard, 1994; Newtson et al. 1977; Petrusic and Baranski, 1998), our starting hypothesis is that when individuals reconstruct times past, estimates of the times comprising the whole will not add-up to estimates for the entire time interval. Thinking of an event's sub-parts (bottom-up processing) induces more vivid, concrete thinking, thus leading to more recall of time filling information. When these parts are summed they will exceed point estimates for the entire interval (top-down, abstract processing). Further, it is hypothesized that estimates for an event's sub-parts should be more stable over time than would be the case for estimates for the entire time interval.

## METHOD AND FINDINGS

To test this alternative perspective, a 2x3 between subjects design (*Top-down/bottom-up event reconstruction by immediate/ short delay/ long delay time estimates*) was conducted. Stimuli consisted of fragments of two TV commercials and elements of two TV shows, which lasted 383 seconds in total. Subjects in the top-down treatment condition were asked to retrieve and estimate the duration of the entire stimuli series first ("*Taken together, how long do you think watching the four videos took?": __ minutes and __ seconds*) and then to provide duration estimates for each video ("*Please estimate the duration of each video in minutes and seconds*"). Participants in the bottom-up condition were cued to estimate the duration of each video first, and then to estimate the duration of the entire experience.

First, individuals perceive events as organized in parts and sub-parts or partonomic relationships (Barker and Wright, 1954; Zacks and Tversky, 2001). Individuals tend to easily conduct bottom-up inferences when cued with subordinate-level actions, but show great trouble at making downward inferences to the subordinate level when cued with superordinate information (Abbot et al. 1985). In this study, an event-partonomy explanation was expected to introduce biases into time perceptions. Individuals were expected to produce fewer but more abstract subparts when induced to perform top-down processing and consequently to produce shorter duration estimates for the entire event. On the

other hand, individuals who produced more concrete subparts when using the bottom-up technique were expected to produce longer duration estimates. Evidence supported this expectation.

Second, research in memory psychophysics regarding reconstruction of physical objects (Hubbard, 1994; Newtson et al. 1977; Petrusic and Baranski, 1998) would suggest non-Euclidean reconstruction: the sum of the parts is greater than the whole. Thus, given a series of segments that collectively make up a whole event, it was advanced that the sum of segments' estimates would be greater than the single estimate for the entire sequence of stimuli. The study showed that the duration estimate of the entire series (DES) was significantly shorter than the sum of the segments' estimates (SSE),; Thus, when reconstructing time "the sum of the parts is greater than the whole". Further t-tests showed that memory decay increased the gap between the duration estimate for the whole versus the parts. The sum of the parts was greater than the whole in the short delay condition ;  and this gap was enhanced in the long delay condition ; However, the whole did not differ from the sum of the parts in the no delay condition (; , which may be explained because of a similar amount of information being recalled when individuals produced their estimates immediately after stimuli exposure.

Third, past-interval estimations rely mainly on an individual's memory of what filled that time (Block, 1990; Poynter, 1983; Zakay and Block, 2004). In this study, it was expected that the effect of time delays on the duration estimate of the entire stimuli series will be stronger when performing top-down relative to bottom up event-reconstructions. Subjects who performed top-down processing produced significantly lower estimates in the short delay  and in the long delay conditions compared to those who performed bottom-up processing. These findings are depicted in Figure 1. In other words, time perception is more sensitive to the effects of memory decay when subjects are cued to recall and estimate the duration of the entire series of stimuli (top-down processing). Interestingly, in the no delay condition subjects' estimate for the entire experience did not differ . It seems plausible to say that because subjects produced their duration estimates immediately after stimulus exposure, the experience seems more filled-in with information, and cueing subjects to look at time as an entire experience or as a series of events first does not alter their time estimates.

*Figure 1.*
*Interaction effect of time delay on top-down versus bottom-up event reconstruction*
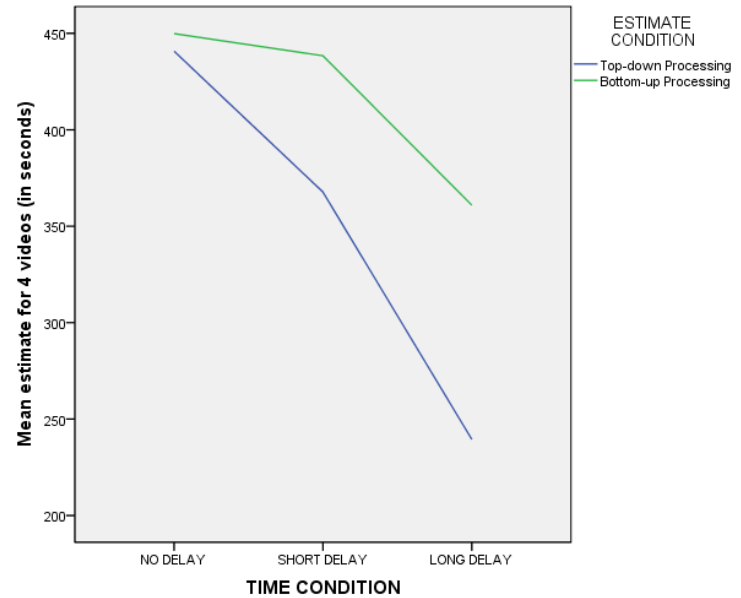


In short, this study finds evidence to advance an event-partonomy explanation for misestimating time. Individuals who are cued to perform a top-down reconstruction tend to underestimate the duration of the entire event, and this effect is enhanced by memory decay. Moreover, given a series of segments which collectively make up a whole event "the sum of the parts is greater than the whole", which is also enhanced by memory decay.

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# (Un)Ethical Youth? Assessing Ethical Consumption Dimensions in Senior School Students

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## SHORT ABSTRACT

Senior school students in NZ were surveyed on their awareness and perceptions of ethical food consumption concepts and practices, using a modified Theory of Planned Behaviour approach. The TPB model explained a moderate amount of purchase intention, but students rated food taste, quality and price above most ethical considerations.

## EXTENDED ABSTRACT

### Motivation/Problem:

Interest in the general ethicality of consumer decisions has been growing since the emergence of the 'green' movement in the 1970s (Cowe and Williams 2000), and the rise of ethical consumerism in the 1980s, demonstrated by the establishment of the UK's 'Ethical Consumer' magazine in 1989. Green consumerism is reflected in inter-governmental initiatives such as the Brundtland Report (World Commission on Environment and Development 1987) and the Kyoto Protocol (United Nations Framework Convention on Climate Change 1998), but in the 1990s a new type of consumer angst began to emerge, concerned with broader ethical and social sustainability issues as well as environmental degradation (Harper and Makatouni 2002; Shaw and Shiu 2003). The OECD defines sustainable consumption as "consumption of goods and services that meet basic needs and quality of life without jeopardising the needs of future generations" (OECD 2002, 16), which places such decisions at the societal level. On the other hand Carrigan, Szmigin and Wright (2004, 401) define ethical consumption as "the conscious and deliberate choice to make certain consumption choices due to personal and moral beliefs", placing this squarely at the level of the individual. Cowe and Williams (2000, 4) construct a more blended definition of ethical consumerism, as "matters of conscience such as animal welfare and fair trade, social aspects such as labour standards, as well as more self-interested health concerns behind the growth of organic food sales", which is the approach taken here. The intermeshing between 'green' and 'ethical' approaches highlights that consumers are potentially engaging with a wide range of concerns when considering 'ethical' purchase decisions, thereby making the consumer decision-making process extremely complex (Shaw and Shiu 2003), but are nonetheless grappling with many of the pressing and "cool idea" issues facing consumers today.

A number of different conceptual models have been proposed and used by researchers to investigate ethical consumer decision making, including Jones' (1991) Issue-Contingent Model of Ethical Decision Making; Freestone and McGoldrick's (2008) Transtheoretical Model and Means-End Chains (Makatouni 2002; Padel and Foster, 2005; Zanoli and Naspetti 2002). One of the most utilised, and modified, is Ajzen's (1991) Theory of Planned Behaviour (TPB; Fishbein and Ajzen, 2010). Of particular interest in this paper is Shaw and Shiu's (2003) 'layered' model modification, proposed and tested through structural equation modelling, which groups the TPB's concepts of attitude toward ethical behaviour with perceived behavioural control (with the resultant construct termed external and behavioural control), and adds the more socially-oriented ethical/moral obligation and self-identity as per Shaw, Shiu and Clarke (2000) to the self-interested notion of subjective norm. This conceptualisation improved the explanatory power of the TPB from $R^2=0.28$ to $R^2=0.52$.

In order to grow the market, new and younger consumers need to be informed and enthused. Younger consumers hold the power in their hands (and wallets) to determine both the make-up and size of the ethical consumer market in the future. It is with this in mind this research project has been carried out. To achieve the goal of growing the ethical consumerism market, the attitudes, beliefs, influencing factors and purchase intentions of adolescents need to be thoroughly understood. Carrigan and Attalla (2001) assert that "most consumers pay little heed to ethical considerations in their purchase decision-making behaviour"; however, in order to close the frequently-attested attitude-behaviour gap (Shaw and Shiu 2003; Vermeir and Verbeke 2006), Carrigan and Attalla (2001) suggest that the purchaser needs to have a vested interest in the ethical issue at hand otherwise the marketing messages broadcast will be irrelevant in consumers' purchase decision-making process. For the purposes of this study, the sample frame comprises senior school students enrolled

in subjects which address at least in part some of the consumer issues identified above: economics, geography, social studies, food and nutrition and media studies, and questions were designed to focus on food consumption, which is well within their direct experience. This subject bias is to overcome the investment/relevance problem identified by Carrigan and Attalla (2001).

**Approach/Methods:**

Focus groups were held with students from two schools to determine the ethical consumption awareness and knowledge of students, and which issues resonated with them. A questionnaire was then tested with further focus groups, and then distributed in paper form to a total of 188 students in years 12 and 13 recruited from four schools in Auckland, New Zealand. On confirmation of patterns and process, an online version was developed and distributed and completed during class time to 500 students in years 12-13 at 12 public schools around New Zealand, of which 488 responses are useable. Respondents answered a series of questions identifying demographic characteristics, followed by ethical problem identification questions which were designed to test respondent knowledge (including recognition and application of fair trade and sustainability certification labels, the 'dolphin safe' fishery label, and questions regarding 'buy local" and organic production). These were followed by questions on ethical food issues (fair trade pricing; organic food nutrition; animal welfare; local sourcing; recycling; genetic modification) which together make up attitudes towards (ethical) behaviour. The next set of questions specifically targeted other elements of the Theory of Planned Behaviour (on subjective norms, ethical/moral obligations and perceived behavioural control), as well as personal and family behavioural perceptions and intentions.

**Results and Implications**

In study one students had good awareness of fair trade and buy local initiatives with more than 70% awareness, but comparatively poor awareness of organic production methods and animal welfare initiatives, at less than 25%. These patterns were replicated in study two, with 72% correctly identifying the fair trade mark and the 'green tick sustainable certified' logo, but only 17% attributing the SPCA approved tick to brands of eggs and bacon which have signed the SPCA's humane animal welfare standards (most believed it applied to pet

food products), and only 47% associated the 'dolphin safe' logo with cans of tuna and salmon, as opposed to beaches which were safe for swimming. Measures of attitude, moral intensity, moral obligation, subjective norm, perceived behavioural control and behavioural intention were combined through factor analysis into composite scores, with constructs moral obligation and moral intensity recording the most reliable measures and the most significant coefficients, and behavioural intention the least, which is in accordance with previous studies (Nicholls and Lee 2006; Shaw and Shiu, 2003).

Investigating these measures by demographics showed that there were significant differences in composite construct measures by gender, except for perceived behavioural control, with the measures being stronger for females than males. The moral intensity and obligation results suggest adolescent females are more likely to be concerned with the well-being of others than male adolescents, which is consistent with findings by Beutel and Johnson (2004). This difference may exist because females may reach a higher level of moral development during adolescence than adolescent boys, but according to Cohn (1991) this gap closes soon after high-school years. With respect to the difference in subjective norms, the results suggest females are more likely than males to be influenced by their peers, celebrities and important others, but no differences showed up in testing of information sources, particularly the importance of family and friends recommendations. No differences were found for ethical knowledge, age or school origin.

Multiple regression analysis of the TPB constructs on behavioural intention resulted in an adjusted $R^2$ of 0.308 for attitude, subjective norm and perceived behavioural control (the unmodified TPB components). Adding in moral intensity and moral obligation improved the model with an adjusted $R^2$ of 0.386. However, a final question asked respondents to rate the importance of 11 factors which might influence their choice of food. In line with findings by Vermeir and Verbeke (2006), the student respondents identified taste, quality and price as the most important, over ethical issues including country of origin and fair trade. However, animal welfare issues also ranked high in this study, which is supported by Stobbelaar et al's (2006) study of 15-16 year old school children who also gave priority to animal welfare issues when purchasing food. Surprisingly, brand image of food did not resonate

with respondents, contrary to Nicholls and Lee's (2006) findings that suggest brand image is a major influence in young people's purchasing behaviour. Overall senior school students show moderate awareness of ethical issues but low leveraging of this into behavioural intention, which may reflect their poorly developed independence in decision making, or a weakly developed sense of urgency in actioning information they have been exposed to in schooling and personal lives. These patterns are being tested in a structural equation model as proposed Shaw and Shiu (2003) to determine if the modified TPB can show improved fit.

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# Emergence as an Interpretive Lens to Study Consumer Behavior

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## ABSTRACT

This paper demonstrates the value, for consumer research, of an emergent approach, which consists in searching for meaningful patterns among sets of fragmented and disparate consumption acts. The new knowledge it would develop can be of use to marketing managers and, because it involves retrospective sense-making, have emancipatory power for consumers.

## EXTENDED ABSTRACT

Several prominent consumer research scholars have characterized the field as over-emphasizing the rational side of consumer behavior; others have called for a stronger focus on the impact of situated experience on future behavior (Belk 1984; Holbrook and Hirschman 1982; Hudson and Ozanne 1988; Zaltman 2000). We argue that the use of emergence as an interpretive lens to study consumer behavior can address some of these concerns and help develop knowledge in areas that dominant paradigms pay little attention to.

### Emergence and its Characteristics

Plainly defined, emergence refers to the way patterns of phenomena arise as a result of a stream of individual, relatively simple, actions and interactions. Emergent phenomena typically include features that are radically different from the phenomena that gave rise to them, so that they appear disconnected from their origins. They result from a dynamic evolution, yet they are integrated, coherent wholes that remain stable over some time (Miller and Page 2007)

In the last century, several intellectual movements in the social and the natural sciences have taken an 'emergentist' view of the world (Sawyer 2002), in the domains of nature, psychology, social relations, web-based systems, anthropology; and applied areas of strategy, urban studies, health management, educational policy making.

Five characteristics of emergence are observed from studies in these different disciplines. First, emergence describes radically new phenomena that cannot be explained nor even 'visible' using the same units of analysis as the elements that originally gave rise to them. Second, the resulting phenomenon maintains stability as a property of the emergent system. Third, convergence does not result from sheer intentionality, but from incremental actions (Hayek 1973). Fourth, the patterns that emerge are typically only noticed and made sense of retrospectively (Eden and Ackermann 1998; Mintzberg and Waters 1985). Fifth, the process of emergence is historical and path dependent: in a sense, the past is alive in the present and shaping the emerging future, while the present is also necessary to make sense of the past (Barry and Elmes 1997).

### An Emergentist View in Consumer Research

Several consumer research scholars have discussed the vast influence of consumption in people's lives. Such a perspective implicitly questions the suitability of a reductionist and mainly cognitive approach for the study of consumption. Holbrook (1987) equates, essentially, consumption with consummation. Belk (1987) contends that consumption usually happens alongside or as part of other human activities, and calls for a consideration of the greater context of consumption. Zaltman (2000) argues (p. 423): "The inherent nature of consumption involves grasping, in a very deep way that now escapes us, the unity of behavior, body, brain, mind and society." We contend that such a task would benefit from an emergentist approach, which views individuals as negotiating constant interactions between actions, consciousness and environment.

In essence, emergence is about uncovering patterns out of the study of a stream of disparate, *in situ* consumption actions, which until then were not seen as being connected or forming part of a whole. This approach can be likened to the Gestalt principle of closure, according to which the mind can discern shapes and patterns from an incomplete set of components. The emergentist approach shares similarities, but is distinct from two other conceptions of consumption. First, the emergentist approach can be likened to the experiential approach (Csikszentmihalyi 2000; Holbrook and Hirschman 1982) in that both view consumption as a situated experience. However, the emergentist approach seeks to unveil patterns of consumptions acts that *adaptively evolve over time*.

Second, the emergentist approach can be likened to the theory of practice (Reckwitz 2002; Warde 2005), which stipulates that people adopt a coherent set of routine behaviors that enable them to experience a sense of belonging to a group or community of people who share the same practice and perform similar behaviors. The practice approach seeks to capture the inherent social logic of the set of actions that delineate the practice (Warde 2005). In the emergence approach however, the inherent logic of the set of actions is across time and across situations – rather than across social space. However, the theory of practice also allows for emergence, with Warde (2005, p. 144) mentioning "contingent effects of practical engagements", thus allowing for emergent behaviors to rise out of unintended consequences or side effects of existing practices.

Hence, in consumer behavior, emergence can be characterized as the development of a personal practice, which gathers strength as individuals, over time, encounter different situations to which they respond progressively more and more similarly, until the moment they become aware of the pattern that has developed. If experientialism adopts Heidegger's (1962, orig. 1927) vantage point of 'human-being-in-the-world', emergentism adopts the vantage point of 'human-being-in-the-world-and-in-history'. History is the conduit for both divergence away from an existing state, and convergence towards a new, alternative state.

Importantly, in such an approach, thought and action are in constant interplay. Actions lead to a new emergent state, or coagulate into an emergent strategy, which at some point is recognized cognitively. An emergent view sees consumers as reflective actors permanently engaged in the world, and performing a myriad acts whose meaning, effects and consequences they mostly consider *post hoc*.

In a research context where the testing of causal models is incurring diminishing returns, the use of an emergentist lens would enable us to ask new, important questions about consumption. An example would be of how initial experiences of window shopping might turn into compulsive shopping. Similarly, it would provide further insights into how consumers adopt innovations and develop routine behaviors as a consequence.

In a recent investigation of cultural pluralism, Sankaran and Demangeot (2011) find consumers living in multi-cultural environments often come to adopt products and practices from different cultures through a succession of situations that did not involve decision-making. For instance, one informant says: "It was my new boyfriend who sent me a song by Coldplay (…). Then I listened to it and clicked on the next video, and the next video so I became a fan of Coldplay, and the related bands so I went from Coldplay to say the Frays and so on, etc. and so it kept on building so I got to know the different bands, and *suddenly I liked rock*" (p. 547; emphasis added). Such a behavior typifies emergent consumption. Through this example, one can see how an emergentist lens might contribute to better understanding how consumers come, over time, to behave the way they do.

**Epistemological and Methodological Implications**
Epistemologically, emergent phenomena are problematic to logical positivist/reductionist researchers since they cannot be studied with fixed units of analysis and because they may not be detected or make sense if one adheres to a unidirectional attribution of causality. Due to their elusive nature, emergent phenomena are best made evident through what Barry and Elmes (1997) term juxtaposing, interpreting, labeling and linking in certain ways when describing the role of strategists.

An emergentist view is holistic, in that no part (i.e. individual consumption act) can be understood unless it is studied within the entire 'system'. The analytic focus shifts from hypothesizing rationality as the predictor of individual human acts, to a position of 'rationalizing' this series of fragmented acts after the event, and discovering their emergent meaning. In this sense, individuals can inductively reflect on their actions, and 'develop theory' by identifying and labeling patterns. While this may appear justificatory, it would expand consumers' consciousness, by helping seek and find unity within themselves. They could use this knowledge to leverage future action, giving the emergence lens an emancipatory role. As Zaltman (2000, p. 426) states: "The essential advantage of consciousness is freedom from being an automaton".

Methodologically, an emergent view may follow the principles of the existential phenomenological interview (Thompson, Locander and Pollio 1989) to understand behavior *in situ*, and derive theory inductively from instances of situated experience. It would also preclude the use of 'why' questions, since it searches for patterns rather than causes. However, it would additionally

seek participants' descriptions of *successive* situated experiences, through 'and then what…' questions.

## CONCLUSION

By providing researchers with a process view of *in situ* behavior and liberating them from the shackles of a causality orientation, an emergentist approach would advance our knowledge of consumer behavior in important ways. This knowledge, derived from the retrospective sense-making of disparate, fragmented actions over time, can be of use to marketing managers and have emancipatory power for consumers. Much consumer research focuses on the highly cognitive end of behaviors, although most consumption behaviors are not cognitively driven in the first place. An emergentist view would provide a bridge to cover all stages of the consumption process, eventually leading to retrospective sense-making.

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# Salespeople's Job Stress:
# Exploring Stress Contagion from Salespeople to Customers

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## ABSTRACT

Based on an experimental study, we investigate whether and how the frontline employee's experience of work stress is transmitted to the customer in a service encounter, and if so, whether this transmission is accompanied by negative customer reactions (e.g., dissatisfaction with the service, intention to postpone the purchase, intention to engage in negative word-of-mouth, intention to avoid the store in the future).

## EXTENDED ABSTRACT

Stress is regarded as one of the major health threats of the 21st century (American Institute for Stress 2011) and generally results from "the relationship between a person and the environment that is appraised by the person as taxing or exceeding his or her resources and endangering his or her well-being (Lazarus and Folkman 1984, 21). Considering that people nowadays spend most of their time at work, it is not surprising that work-related stress is most prevalent in their lives (Cannon 2010). Work-related stress both affects the person while he or she is at work and often spills over into non-work domains (e.g., Boles and Babin 1996; Danna and Griffin 1999). Companies have recognized that work-related stress incurs high costs on their side. Not only does work-related stress lead to serious health problems for individuals, but also to employees' decreased performance, absenteeism, and job turnover (Aamodt 2010; Matteson and Ivancevich 1987; Sullivan and Baghat 1992). The subsequent costs of work-related stress amount to billions of US-dollars for companies (American Institute for Stress 2011).

In particular, frontline employees, like salespeople, are considered to be one of the employee groups that are often highly stressed (e.g., Wa Chan and Wen Wan forthcoming; Hartline and Ferrell 1996). Since frontline employees have regular contact to customers and often advise them regarding products, the management of customer-contact employees faces the risk that the employees' adverse emotional states might negatively affect the customers and their perceptions of the service. Surprisingly, the questions (1) whether and how the frontline employee's experience of work stress is transmitted to the customer in a service encounter, and (2) if so,

whether this transmission is accompanied by negative customer reactions (e.g., dissatisfaction with the service, intention to postpone the purchase, intention to engage in negative word-of-mouth, intention to avoid the store in the future) have received little attention in the literature so far.

Stress transmission on an interpersonal level is also referred to as stress crossover. Direct stress crossover occurs when one person reveals stress and another person catches this stress (Westman 2001). Emotional contagion may serve as an explanatory mechanism for interpersonal stress transmission and generally describes the process in which emotions are carried over from one person to another (Hatfield, Cacioppo, and Rapson 1994; Song et al. 2011). The idea behind this concept is that individuals have empathic abilities at their disposal which allow them to take over the position of another individual and to experience and share their feelings (Westman 2001). Thus, in the current study we assume that the stress displayed by the salesperson triggers a subconscious empathic reaction in the customer, thereby increasing his or her stress level.

Prior research has mainly investigated subconscious emotional contagion with a focus on positive emotions (Luong 2005; Pugh 2001; Tsai 2001; Tsai and Huang 2002). Dallimore, Sparks, and Butcher (2007) examined the process of negative emotional contagion from customers to service employees. And Du, Fan, and Feng (2011) looked both at positive and negative emotional contagion from the service provider to the customer. Up to now, to the best of our knowledge no research has addressed stress contagion in a service encounter.

In line with prior research on emotional contagion (e.g., Du, Fan, and Feng 2011), we employed a scenario role-play based on an experimental design to investigate the occurrence and extent of the stress transmission from the salesperson to the customer as well as the customer's subsequent behavioral reactions. We used a one-factor between-subjects design. The independent variable was the emotional display of the salesperson. Three videotapes were produced to represent the three experimental conditions in our study: (1) a stressed emotional display by a male salesperson, (2) a neutral

(slightly positive) emotional display by a male salesperson, and (3) a positive emotional display by a male salesperson. To test the effectiveness of the manipulation regarding the salesperson's emotional display, we used an emotional display scale (adapted from Du, Fan, and Feng 2011). The results of the manipulation check supported the effectiveness of our manipulation.

The stimulus materials were filmed in a hardware store operating nationwide to provide a realistic setting. Each videotape began with a short introductory scene, showing how the customer first gets a shopping cart on the parking lot in front of the hardware store and subsequently enters the hardware store, pushing the shopping cart through the store while following the signposting until he or she arrives at the laminate flooring section and walks up to a salesperson to ask for advice. We used an actor to play the salesperson. Throughout the videotapes, the camera filmed from a first-person perspective, so that the camera virtually represented the "eyes" of the customer. Thus, the customer was never shown. Moreover, the customer's questions for the salesperson appeared only in written language on slides which were blended in at the appropriate position in the film. In general, this procedure is regarded as relatively convenient for participants who are supposed to assume the role of the customer because it excludes any potential bias resulting from gender, age, or physical attractiveness of a customer shown. During the service encounter the camera focused on the head/face and upper body of the salesperson as he began to answer the questions of the customer. All conditions were filmed exactly in the same manner, except for the emotional display shown. The use of only a male salesperson in our scenarios was justified since 70-80% of all the salespeople in hardware stores are men.

Participants (n=276) who were role-playing as customers were randomly assigned to one of the three conditions. We first assessed participants' preencounter state of stress, then asked them to watch the videotape, and finally assessed their postencounter state of stress. Moreover, each participant had to answer several questions with regard to the service encounter (e.g., satisfaction with the service, intention to postpone the purchase) and with regard to their susceptibility to emotional contagion. We drew on existing scales to measure these constructs. In line with theories of stress in psychology (Lazarus and Folkman 1984), we measured stress with affective response indicators that are regarded as typical of stress (e.g., tension, uneasiness, irritation, frustration). In particular, we used a seven-point semantic differential scale (e.g., tense vs. relaxed), with higher scale points indicating a more positive emotional state and lower scale points a more negative emotional state that is typical of stress

The results of our study indicate that negative emotions typical of stress are contagious in service interactions and trigger greater emotional contagion than positive or neutral emotions. This outcome can be explained by the fact that negative emotions typical of stress are more salient and receive more attention from individuals than positive or neutral emotions. Moreover, we are able to show that customers evaluate the service interaction more negatively in the stressed emotional display condition than in the neutral and positive emotional display condition. Customers are also more inclined to postpone their purchases, to engage in negative word-of-mouth regarding the store, and to avoid the store in the future in the stressed emotional display condition. Interestingly, we are not able to show that customers who are more susceptible to emotional contagion report greater changes in their emotional state than those customers who are less susceptible to emotional contagion.

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# Attractive versus Popular:
# Men and Women's Reactions to Male and Female Models in Advertising

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## ABSTRACT

Based on insights from evolutionary psychology and information processing research, this study examines differences in men and women's reactions to male and female ad models. It was found that men prefer female models and that women prefer male models coupled with female models. Differences are moderated by product category involvement.

Men and women react differently to male and female models in advertising. One observation is that both men and women react more favorably to advertising featuring models of the opposite sex than to advertising featuring same-sex models. This opposite-sex effect is observed for ad evaluation (Baker and Churchill 1977; Dianoux and Linhart 2009) and product/brand evaluation (Peterson and Kerin 1977; Simpson, Horton, and Brown 1996). This opposite-sex effect if also more pronounced for men than women (Jones, Stanaland, and Gelb 1998). To date, no adequate explanation for how men and women can be expected to react to male and female models in advertising has been presented (see Wolin 2003 and Jones, Stanaland, and Gelb 1998 for reviews).

To understand how both men and women react to male and female ad models we propose an account that draws on insights from evolutionary psychology and information processing research. The ad produces a particular context that exposes the viewer to an array of information cues including models, product attributes, logos, and product arguments. Men and women react in predictable ways differently to these cues. Exposure to a model alone can prime mating considerations in men and women (Hill and Buss 2008; Roney 2003), but the particular considerations differ between the sexes (Hill and Buss 2008). Men consider reproduction capacities whereas women consider the capacity for nurturing herself and her offspring. When little information about the potential mate is readily available (such as in an ad), men and women will rely on environmental cues (Hill and Buss 2008). A man will infer mating quality from the female model's physical *attractiveness*, since attractiveness is diagnostic for the reproduction capacities he seeks. In this context, he will associate a male model with unwanted rivalry. A woman will

infer quality from the male model's *popularity* since it is diagnostic for the nurturing capacity she seeks. The presence of one or several other female models is a sign of such popularity. This difference between men and women should be strengthened by inherent man-woman differences in information processing. The selectivity model states that men tend to process cues that are salient from the surface whereas women process a richer array of cues (Meyers-Levy and Sterntal 1991). Wood (1966) and Nowaczyk (1982) observed that women responded to nonverbal stimuli by evoking more associative, imagery-laced interpretations, and more elaborate descriptions than did their male counterparts. Attractiveness is readily available from surface cues (i.e. the models mere appearance) and should therefore be utilized by men. In contrast, popularity is not readily available from the ad, but a more complex cue that must be imagined. This would require a processing style consistent with that of a woman.

These female-male differences in information processing also have implications for processing of the model relative to the other information cues. Verbal arguments (vs. models) are likely to provide more (vs. less) utility within the elaborate female processing style and models (vs. verbal arguments) are likely to provide more (vs. less) utility within the heuristic male processing style. Moreover, as a model can be a central product argument under high elaboration (Trampe et al. 2010), women are more likely than men to treat it as such. Men that are highly involved in the product category, however, are likely to react more like women as they will elaborate more than men with low involvement.

To test these predictions, we examined tradeoffs between a female and a male model, a male-female pair of models, and product arguments using a conjoint design. This approach contributes to the literature in several ways. A novel explanation for men and women's reaction to models in advertising is examined, another highly relevant ad elements is considered (i.e. male-female pair), and more ad element tradeoffs are allowed for.

## STUDY 1

**Method**

The stimuli were modified ads for Dr. Martins of Maui sunscreen lotion, featuring models. As this brand is not available in the participant's marketplace, unwarranted influence of existing brand knowledge is avoided while realism is maintained.

As previous research suggests that gratuitous sex in ads is judged more negatively by women than men, it was important to secure that models were not perceived as gratuitous and that initial attitudes toward the models were not different across the sexes. Moreover, models can also serve as an central product argument cue. Also this necessitates that models are perceived as non-gratuitous and that men and women hold equally favorable attitudes toward male and female models. Eighty students participated in this study.

## RESULTS

To check that models were perceived as non-gratuitous the ads' brand-model congruency was measured and compared to a presumed less relevant display (the same models holding a surfboard). As expected, the depiction of the model was perceive as fairly brand-congruent in the sunscreen version ($M_{sun}$= 3.33) and also more congruent than in the surfboard version ($M_{surf}$= 4.45; p < .05).

Results verified the suitability of the stimuli in terms of the model's inherent attractiveness. On Ohanian's (1990) 7-item attractiveness scale ($\alpha$ = .82), the male and the female model were rated equally attractive ($M_{male}$ = 3.48; $M_{female}$ = 3.19, p > . 1). Neither did men and women differ significantly in their rating of the female (t = -0.55, p > .10) and the male (t =.35, p > .10) model. Neither gratuitous sex associations nor inherent differences in model attractiveness should therefore interfere with the results.

## STUDY 2

**Method**

*Participants*. Two hundred and ninety students participated in the study. Sixty students that failed to complete the experiment were not analyzed (n = 230).

**Design.**

A 2 (Sex: men vs. women) x 2 (Elaboration: High vs. low product category involvement) between-subject design was employed. The design also controlled two alternative explanations: involvement as a trait (measure by need for cognition) and perceived product gender identity.

**Dependent measure**

A conjoint design was used to capture utility of the various ad elements. Ad elements with respective levels were model gender (male, female, male and female, or no model), number of product arguments (2, 3, or 4), and claim type (hedge, neutral, pledge)**.** Thirty-six different professional looking versions of the ad (4 x 3 x 3) were developed. In an online experiment participants were exposed to these versions in sets of three, and asked to choose the ad they preferred.

## RESULTS

A MANCOVA-model was specified. As predicted (figure 1), women have higher utility for the male + female ad than for the male ad ($M$ = .76 vs. $M$ = -.66, p < . 05), supporting that a model's popularity yields more utility than it's attractiveness. Women also had more utility from the female than from the male model ad ($M$ = .85 vs. $M$ = -.66, p < . 05), which supports that women use the model as a central product cue. Women's trade-off between the male + female ad and the female ad shows an equal utility ($M$ = .76 vs. $M$ = .85, p < . 05). This indicates that either the model serves as a popularity cue or as a central product cue, it provides women with equal utility.

As predicted, men have higher utility for the female ad than for the male + female ad ($M$ = 1.59 vs. $M$ = .97, p < . 05), indicating that men get the highest utility from attractiveness and that a male model reminds them about rivalry. Men also had more utility from the female model ad then from the male ad ($M$ = 1.59 vs. $M$ = -1.48, p < . 05), supporting that men do not use the model as a central product cue. Men's trade-off between the female ad, the male + female ad, and the male ad shows that attractivity is important, but reduced with competition (risk), but that a risky attraction has more utility than an central product cue ($M$ = 1.59 vs. $M$ = .97 vs. $M$ = -1.48, p < . 05).

As predicted (figure 2), elaboration interacts with viewer's sex in influencing utility, although marginally so (F(3, 215) = 2.47, = .07). Men's tradeoffs become more like women's as men's utility for the female model ad shifts downward ($M$ = 1.79 vs. $M$ = 1.19, p < .05) and their utility for the male + female ad shifts upward ($M$ = .78 vs. $M$ = 1.46, p < .05).

## DISCUSSION

Consistent with previous research, it is observed that men prefer a female ad model over a male one. A novel observation is that women prefer a male model coupled with a female model over a single male model. This is explained by the evolutionary idea that men use attractiveness as a cue when mating considerations are primed by an opposite sex model, whereas women use popularity as a cue. These men-women differences are reduced with high elaboration, which suggests that highly involved men are more similar to women than less involved men. This interaction is more likely to be caused by men's use of the male model as central product argument cue, than by altered mating considerations.

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**FIGURES**

**FIGURE 1**
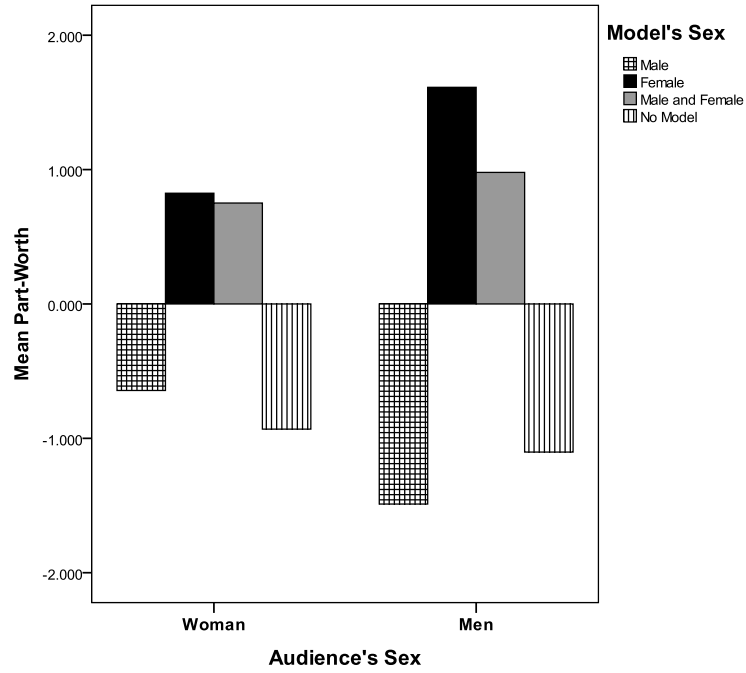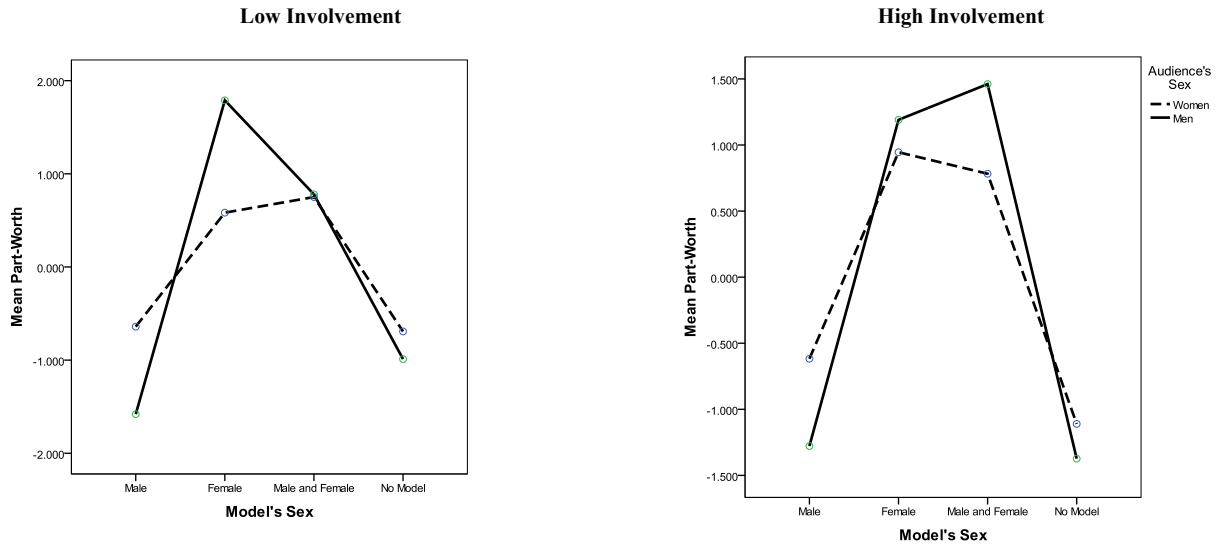**Utility of Different Ad Models by Audience's Sex**



**FIGURE 2**
**Utility of Different Ad Models by Audience's Sex and Involvement**

# The Effect of Choice Criterion on Quality Cue Utilization

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## ABSTRACT

This study examines how consumers use quality cue to make choices over unobservable product quality. Based on the proposed dual process model, the present data indicate that the type of unobservable product attribute applied as choice criterion determines the type of quality cues used to infer quality.

## EXTENDED ABSTRACT

Studies from economic psychology and marketing on consumer information processing suggest that consumers make buying decisions based on evaluation of certain product attributes (Peter and Olson 1996). There has been concerted effort in classifying product attributes into three main categories (i.e. search, experience and credence attributes) according to their pre-purchase quality detection costs (Darby and Karni 1973; Ford, Smith, and Swasy 1988, 1990; Maute and Forrester 1991; Nelson 1970, 1974). Nelson (1974) distinguishes between search and experience attributes. Experience attributes are not observable prior to purchase and can be verified only after consumption (Nelson 1974; Wright and Lynch 1995). Experience goods are dominated by attributes that cannot be known until purchase and use of the product or for which information search is more costly and/or difficult than direct product experience. Darby and Karni (1973) subsequently identified a third category they call credence attributes, which includes those attributes that are not readily observable even after purchase and consumption. Credence attributes are elements of the manufacturing and supply chain process which cannot be evaluated even after consumption (Darby and Karni 1973).

Consumers are sceptical of unobservable quality attributes that cannot be evaluated prior to purchase (Ford et al. 1990). One solution to this information problem is for firms to send prepurchase signals about their quality. A firm can use various marketing mix elements to signal product quality; for example, building strong brand name (Wernerfelt 1988), charging a high price (Milgrom and Roberts 1986; Wolinsky 1983), offering a certain warranty (Grossman 1981; Lutz 1989; Riley 1979; Spence 1977), or investing in advertising campaigns (Ippolito

1990; Kihlstrom and Riordan 1984; Milgrom and Roberts 1986; Nelson 1974; Schmalensee 1978). Consumers who are uncertain about the true quality of a product would use the quality signals to distinguish the firms offering high-quality products from the firms offering low-quality products. Consumers often simplify the product evaluation process by focusing selectively on quality perception-consistent evidence (Sanbonmatsu, Posavac, Kardes, and Mantel 1998).

When making product buying decisions involving unobservable product attribute, consumers often have to infer quality based on quality cues (Kirmani and Rao 2000). How do consumers make use of quality cues in decision making? This research proposes a dual process model to study inference-based choice. Dual processing theories describe two qualitatively different systems of consumer information processing (Epstein 1994; Hogarth 2005, Kahneman 2003; Sloman 1996). Intuitive reasoning draws inferences on the basis of similarity and congruity (Sloman 1996). Rational reasoning requires a more compelling justification for a response than associative reasoning (Brooks, Norman, and Allen 1991; Rips 1990). It is suggested that product choice involving unobservable product attribute can be predicted based on the type of inference making process invoked by the choice criterion. Consumers should follow the intuitive inference process route, making memory-based choices, using brand familiarity to infer quality when the choice criterion is an experience attribute. On the other hand, consumers should follow the rational inference process route, making stimulus-based choices, using certification mark to infer quality when the choice criterion is a credence attribute.

We test these propositions using a using a 2 (choice criterion: experience, credence) x 2 (quality cue: brand familiarity, certification mark) between subjects design field experiment. Three hundred and ninety-five grocery shoppers, representing different concentration of ethnic and socio-economic groups, from four hypermarket outlets of a major hypermarket chain in Malaysia participated in the study. The subjects were randomly assigned to the experimental conditions. Both experimental treatments were administered simultaneously using mall intercept

method. Subjects assumed that they were on their routine grocery shopping in a neighbourhood grocery store and they wanted to buy chicken nuggets and found two brands of chicken nuggets on offer at the same price. Subjects were then asked to inspect the front view and back view of the two brands of chicken nuggets and decide which brand they would want to buy. For manipulation check purpose, subjects were asked to rank in order of importance, the product attributes of chicken nuggets.

Subjects who chose to use credence attribute as their choice criteria, engaged in rational inference and chose to use certification mark as a quality cue to rationalise their choice. A positive evaluation of the product attribute from a trusted third party implies satisfactory quality (Boush, Kim, Kahle, and Batra 1993; Chu and Chu 1994). Hence, third party certification can alleviate the pre-purchase uncertainties by closing the information asymmetry gap. By reducing the uncertainties over product quality, it helps to improve consumer confidence and contribute towards significant increase in purchasing likelihood (Kimery and McCond 2002). Consumers trust the third-party certification mark because it is seen as an independent statement of product quality. Trust transfer (Festinger 1954) takes place when the credence attribute of a product is associated with a reputable third-party certification program (Doney, Cannon, and Mullen 1998; Zucker 1986).

On the other hand, subjects who chose to use experience attribute as their choice criteria, tend to downplay the need for extensive information processing, and chose to engage in a more intuitive type of inference making, relying on brand familiarity as a quality cue to associate with previous satisfactory experiences. Associations play an important role in consumers' product evaluations and choices (Alba, Hutchinson and Lynch 1991). With increased level of exposure to a brand, familiarity creates a better knowledge structure in memory thereby reduces perceived uncertainty (Alba and Hutchinson 1987). As a result, brand familiarity has significant impact on consumers' decision-making process (Bettman and Park 1980), with positive influence on evaluation of the brand (Sen and Johnson 1997; Zajonc and Markus 1982) and purchase intention (Laroche, Kim and Zhou 1996).

A model is advanced for the study of how consumers make choices given uncertainty about the unobservable quality attributes. The research is based on the premise that consumers engages in different system of reasoning in making inferences, in accordance to the intangible value of the type of quality attributes. By manipulating attribute criteria and quality cues in the same study, it was possible to determine whether intuitive or rational inference systems were being employed to reach a buying decision. The present data strongly indicate that consumers make use of quality cue based on the type of unobservable product attribute applied as choice criterion in decision making. When consumers apply experience attribute as choice criterion, they prefer to make use of brand familiarity to infer product quality in making purchase decision. On the other hand, when consumers apply credence attribute as choice criterion, they prefer to make use of certification mark to infer product quality in making purchase decision. The type of unobservable product attribute applied as choice criterion appears to be one determinant of which type of inference process takes place.

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# Do I Know How Much to Search? Effect of Extent of Search, Subjective Knowledge, and Involvement on Returns to Search in Ordered and Unordered Environments

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## ABSTRACT

There is conflicting evidence on the effect of extent of online information search on returns to search. We provide some answers by investigating effect of subjective knowledge and involvement on returns to search in ordered and unordered environments. An online simulated experiment was conducted and results were discussed.

## EXTENDED ABSTRACT

Introduction and Motivation for the study

Pre-purchase information search behaviour has been researched for long (for e.g., Copeland 1917) and with the evolution of the Internet it continues to attract considerable interest till date (e.g., Nordgren and Dijksterhuis 2009). "Returns to search" is explained as the incremental quality or lower price obtained by a consumer as a result of his/her search.

Internet is a "revolution" that "has altered everything" (Hoffman 2000) resulting in increased information availability. This has led to the development of recommendation agents (RAs) to facilitate information processing and choice. Past works on the effectiveness of RAs is focused on the influence of design of product lists (Cai and Xu 2008), order in which the product is listed (Xu and Kim 2008), and presentation mode or format (Hong et al. 2004b). More importantly, extant literature on the influence of these recommendation agents on decision making is inconclusive. Initial studies (for e.g., Diehl et al. 2003) showed that decision aids enabled consumers to make better decisions while expending substantially less effort. However, later studies (for e.g., Diehl 2005) showed that under certain circumstances increased search results in lower quality of consideration sets and ultimately lower choice.

We intend to provide some explanation for this conflict by investigating the influence of individual variables on returns to online search in ordered and unordered environments. It is known that the benefits of gathering information on the Internet differ by consumer type (Zettelmeyer et al. 2006). Moreover, consumer behavior is typically the result of interplay between personality and situational variables (Russell and Mehrabian 1976). Hence we study,

How much should consumers search to optimize decision quality in ordered and unordered environments?

How individual differences in extent of search, subjective knowledge, and involvement influence return on search in ordered and unordered environments?

Do decision satisfaction and decision confidence increase with the quality of option chosen? Or do they increase with search time?

## Conceptual Framework and Hypothesis

Ordered environments are those where RAs evaluate all available options on behalf of the consumer and order options in decreasing expected utility. In unordered environments, options are listed in random order of utility.

The conceptual framework for the hypotheses in the subsequent section is derived from essentially two broad theoretical perspectives: (1) theory of information processing and (2) elaboration likelihood model (ELM). According to Beatty and Smith (1987) and Schmidt and Sprang (1996), ability and motivation of the individual will affect extent of information search. Correspondingly we chose to investigate the effect of subjective knowledge and involvement on returns to search.

Consumers' primary motive for prepurchase search is to enhance the quality of the purchase outcome (Punj and Staelin 1993). However, according to the information processing theory of consumer choice (Bettman 1979), consumers have limited cognitive processing ability. If information is provided beyond this point, the performance of the individual will rapidly decline (Chewning and Harrell 1990) because they might get confused and consider irrelevant information. Consumers who search the least will have too little information and those that search the most too much, and those that search moderately, "just right" information. Hence,

H1A: In unordered environments, compared with

low and high level of information search, medium level of search should result in better decision quality Paradoxically, while high amounts of information lead to poorer choices, they often increase confidence and satisfaction in judgments - even though accuracy of judgments is lowered (Stewart et al. 1992).

H1B: In unordered environments, increase in the extent of information search leads to (i) higher decision satisfaction, and (ii) higher decision confidence.

In ordered environments, RAs conserve consumers' effort and also decrease the benefits of deeper search as later alternatives are lower in quality (Diehl 2005). Hence,

H1C: In ordered environments, low levels of information search should result in (i) better decision quality, (ii) lower decision satisfaction, and (iii) lower decision confidence.

It is generally accepted that subjective knowledge has an inverted U-shaped relationship with extent of search. Consumers with low subjective knowledge find the task of evaluating alternatives to be difficult and frustrating (Park and Lessig 1981) because they exhibit broad perceptual category breadth. On the other hand, consumers with high subjective knowledge have a narrower category breadth as a result they are more capable of elaborate information processing. But because of high self-confidence, an illusion of knowledge prompts them to search to a lesser extent (Hall et al. 2007). Consumers with a moderate level of subjective knowledge have narrower category breadth .This allows them to process greater amounts of, and more complex information. Hence,

H2A: In unordered environments, compared with low and high levels of subjective knowledge, medium levels of subjective knowledge lead to (i) better decision quality, and (ii) higher search time.

H2B: In unordered environments, higher levels of subjective knowledge lead to (i) higher decision satisfaction, and (ii) higher decision confidence.

H2C: In ordered environments, compared with low and high levels of subjective knowledge, medium levels of subjective knowledge lead to (i) lower decision quality, and (ii) higher search time.

H2D: In ordered environments, compared with high and medium levels of subjective knowledge, lower levels of subjective knowledge lead to (i) lower decision satisfaction, and (ii) lower decision confidence.

Purchase decision involvement has been defined as the extent of interest and concern that a consumer brings to bear upon a purchase decision task (Mittal 1989). A person with a high need or interest will be more motivated to exert processing capacity. High involvement leads to greater searching (Brucks 1985). Hence we argue for a linear, as opposed to an inverted U-shaped relationship.

H3A: In unordered environments, compared with low and medium levels of involvement, high levels of involvement lead to (i) better decision quality, and (ii) higher search time.

H3B: In unordered environments, compared with low and medium levels of involvement, consumers with high levels of involvement will have (i) higher decision satisfaction, and (ii) higher decision confidence.

H3C: In ordered environments, higher levels of involvement lead to (i) lower decision quality, (ii) higher decision satisfaction, (iii) higher decision confidence, and (iv) higher search time.

## METHODOLOGY

We employed two between subjects' factorial experimental designs. We developed a simulated online digital camera store. The experimental scenario closely matched that of Diehl (2005). The subjects were given the task of selecting a digital camera for someone other than themselves (the principal) using the principal's predetermined criteria. This was communicated right at the beginning to the subjects. A set of 200 hypothetical Digital Cameras was created with five attributes; optical zoom, resolution, LCD screen size, compactness, and memory. Ordered and unordered environments were manipulated to observe the behaviour. We used pre-validated scales to measure subjective knowledge (Cowley and Mitchell 2003), involvement (Mittal 1989), decision satisfaction, and decision confidence (Lee and Lee 2004). Utility of the selected model was considered for quality of choice and utility of the consideration set for quality of the consideration set.

## RESULT

All scales exhibited acceptable to high reliabilities. We tested the data using one-way ANOVA and quadratic trend analysis to test for curvilinear relationship. The results are shown in table 1.

*Table 1: Results of One-way ANOVA between extent of information search and returns to search (Means and standard error (in parentheses)*

| | Extent of Information Search | | | | |
|---|---|---|---|---|---|
| | Ordered Environment | | Unordered Environment | | |
| | Low | High | Low | Medium | High |
| Participants | 74 | 72 | 45 | 46 | 45 |
| Means | | | | | |
| Quality of the chosen option | 100.43 (1.84) [a] | 93.08 (2.05) [a] | 91.73 (2.42) [a] | 102.67 (2.11) [a] | 99.67 (2.53) [a] |
| Decision confidence | 5.08 (0.15)[a] | 5.86 (0.11)[a] | 5.09 (0.18) [a] | 5.93 (0.15) [a] | 5.72 (0.14) [a] |
| Decision satisfaction | 5.07 (0.14) [a] | 5.97 (0.11) [a] | 5.62 (0.16) [c] | 5.95 (0.15) [c] | 6.05 (0.12) [c] |

[a] $p < 0.01$; [b] $p < 0.05$; [c] $p < 0.1$; [d] p is not significant. Similarly the data was analysed to study the effect of subjective knowledge and involvement on returns to search. The results tests of all the hypotheses are provided in the table 2.

medium level of search resulted in maximum returns to search. Neither too much nor too little the "golden mean" seems to be ideal, as with most things in life! Consumers with medium levels of subjective knowledge had higher returns to search,

*Table 2: Results of the Experiment*

| Dependent Variable | Independent Variable | Internet Environments (Hypothesized Direction) | | Results |
|---|---|---|---|---|
| | | Unordered | Ordered | |
| Quality of the choice | Extent of Search | Ç | - | Supported |
| | SK | Ç | È | Supported |
| | Involvement | + | - | Supported |
| Search Time | SK | Ç | Ç | Supported / NS* |
| | Involvement | + | + | Supported / NS* |
| Decision Satisfaction | Extent of Search | + | + | Supported |
| | SK | + | + | Supported / NS* |
| | Involvement | + | + | NS |
| Decision Confidence | Extent of Search | + | + | NS** / Supported |
| | SK | + | + | Supported |
| | Involvement | + | + | Supported |

\* - *Hypothesis supported for in unordered environments, but not supported in ordered environments*
\*\* - *Hypothesis not supported in unordered environments but supported in ordered environments*.

## GENERAL DISCUSSION

We found strong support for most of the hypotheses (Table 2). Overall in unordered environments,

while consumers with high levels of involvement had higher returns to search. In ordered environments, however, low level of search resulted in maximum returns to search.

However, a few hypotheses concerned with decision satisfaction and decision confidence were partially supported. The reasoning could be because though increased effort should result in higher

decision confidence and decision satisfaction, for consumers it was probably difficult to gauge decision confidence and satisfaction from the final choice (Hoch and Deighton 1989). Our results are consistent with previous findings (Wilson and Schooler 1991). Our research has a number of contributions to make. We extended the work (for e.g., Diehl 2005) by answering how much a consumer should search in ordered and unordered internet environments. This has got significant impact from the consumer's viewpoint. Managerially our study provides e-targeting strategies to enhance website revisit. While our research has significant contributions, we also recognize that it has its share of limitations. There is a need to develop a comprehensive model for better understanding of returns to search. Given that there are differences between services and products; would returns to search be different in services? Would there be some nuances and subtle differences? Future research can investigate these and related issues.

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# Accelerating Consumer Adoption of Alternative Fuel Vehicles – The Role of Perceived Adoption Factors

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## ABSTRACT

Consumer adoption of alternative fuel vehicles (AFVs) is still in its infancy. This study identifies types of adoption factors and develops measurement scales. Subsequently, a quantitative survey is employed to determine the relative influence of these factors on the adoption decision. This provides the basis for developing strategies to enhance adoption of AFVs.

## EXTENDED ABSTRACT
## INTRODUCTION

Ground transportation is reflecting the second largest source of emissions worldwide (IEA, 2011; Karplus et al., 2010). Many environmental problems caused by transportation are particularly related to the use of internal combustion engines (ICEs) (Høyer, 2008; Meyer & Winebrake, 2009). Even with advanced fuel economy engines the continued reliance on the ICE is unlikely to amend environmental issues like transportation emissions, energy dependence, or climate change (Karplus et al., 2010). Alternative fuel vehicles (AFVs) hold the potential to solve a number of environmental challenges that relate to emissions caused by transportation (Van Bree et al., 2010). The automotive industry has spent an increased amount of their R&D expenditures for the development of alternative technologies in recent years to define a future market for AFVs, stay competitive, and gain consumers attention (Dagsvik et al., 2002; Ewing & Sarigöllü, 2000; James, 2009; Struben & Sterman, 2008). As a result, a recent number of AFVs have emerged over the past decades representing a wide variety of innovations: electric, hybrid, gas, hydrogen fuel cells and further multiple fuel vehicles. Due to growing environmental and economical problems related to the use of ICEs more and more consumers pay attention to AFVs as environmentally friendly alternatives to the conventional ICEs, enhancing the probability for a large scale adoption of alternatives (Lane & Potter, 2007; Mills, 2008; Van Bree et al., 2010). In fact, AFV sales are predicted to further increase in the future. In 2050 already 50 % of the worldwide sales should refer to AFVs (IEA, 2011). Consequently, research on the adoption of AFVs is crucial and illustrates an important strategy to take up with environmental issues, and points out to a key area for further research (Mills, 2008; Yeh, 2007). A few studies have already investigated several factors influencing the adoption of AFVs (e.g. Eggers & Eggers, 2010; Mau et al., 2008; Oliver & Rosen, 2010; Sims Gallagher & Muehlegger, 2010). However, after decades of effort to gain a wider acceptance of AFVs by the general public their adoption is still in its infancy, and so is its research. More and deeper empirical analyses are needed to better understand what affects consumer adoption of AFVs (Lane & Potter, 2007; Yeh, 2007). Therefore, from both the consumer behavior as well as the environmental standpoint, it becomes increasingly important to analyze and better understand the factors that influence the adoption of AFVs (Jansson et al., 2011). The central research question of this study is: Which factors and characteristics trigger consumers' intention to adopt AFVs and how precisely do these specific factors affect the willingness to pay for AFVs. To answer this question our main research target is the development and empirical analysis of an integrative model for consumer adoption of AFVs. Based on this insight, strategies can be developed to enhance the success of AFVs and present insights into the relevance of different adoption characteristics.

## THEORETICAL BACKGROUND

For the theoretical underpinning, this study will focus on the research field of diffusion and adoption theory to broaden the fundamental understanding of AFV adoption. Predominantly advocated by Rogers (2003), innovation diffusion theory has a rich history and has been used to study a variety of different innovations since the 1960s (Meuter et al., 2005; Venkatesh et al., 2003). Rogers' innovation-decision process comprises five main stages an individual passes through. After gaining first knowledge of the innovation the individual forms an attitude toward the innovation (persuasion) leading to an adoption or rejection decision and then implements the innovation and conforms this decision. The individual's decision whether to adopt or reject an innovation during the innovation-decision process is influenced by several constructs and adoption factors that determine its course and, which have received widespread attention within the adoption literature (Meuter et al., 2005;

Rogers, 2003). These adoption factors can be classified into product, consumer and external factors (see figure 1) (Jansson, 2011; Litfin, 2000; Rogers, 2003; Wriggers, 2006). Product factors are also considered as innovation characteristics or as attributes of an innovation perceived by an individual. They represent an essential aspect of the adoption and diffusion of innovations and help to explain the different rates of adoption among innovations (Robertson & Kassarjian, 1991; Rogers, 2003). External factors also play a crucial role within the innovation-decision process and influence the adoption and rejection decision of the individual. External factors refer to macroeconomic, socio-cultural and political factors (Litfin, 2000; Rogers, 2003; Wriggers, 2006). Finally, consumer factors display the characteristics of the decision-making unit and therefore substantially have an impact on the knowledge and perception of the innovation. Such consumer factors include socioeconomic characteristics, personality variables as well as behavior-related variables of the individual (Rogers, 2003; Wriggers, 2006).

literature upon the theoretical research framework. We determine the most influential and discussed types of characteristics and attributes in corresponding studies, and investigate shortcomings in current research. The result of this step is a classified and categorized consortium of most relevant primary adoption factors of AFVs.

(2) In a next stage we carry out a qualitative-explorative study to develop and refine instruments designed to measure the various perceptions an individual may have when adopting a product innovation like the AFV. Based upon the results of the first research step, perceived adoption factors are refined and developed. In determining which adoption scales and constructs to examine and to adapt, we principally try to employ existing and empirically validated instruments when available. Otherwise, we further develop specific instruments for the purpose of this study (Moore & Benbasat, 1991). We thereby follow the procedures suggested by (Clark & Watson,
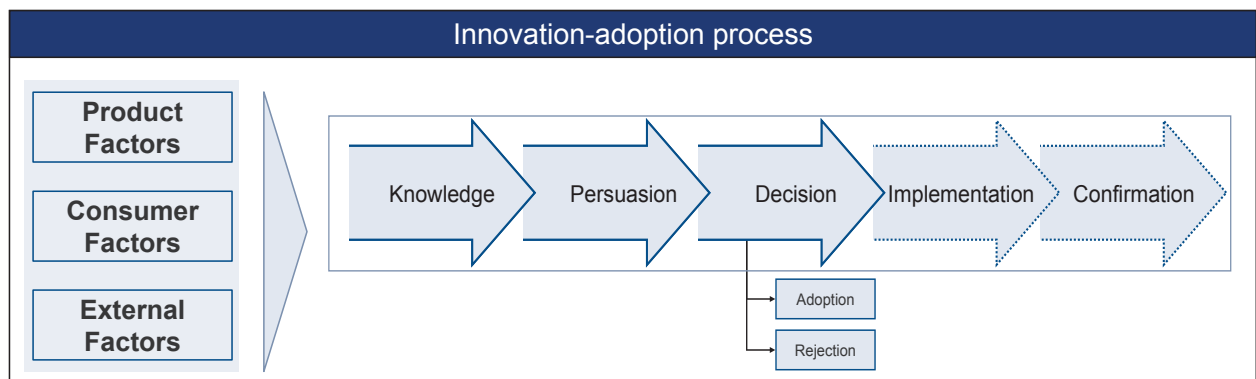


Figure 1: Innovation-decision process based on Rogers (2003)

## METHODOLOGY

The aim of this research is to analyze the influence of adoption factors that influence the intention to adopt AFVs. Using a three-stage study design, (1) an in-depth literature review is to be conducted, which provides findings about the adoption of AFVs and represents a conceptual foundation to empirically (2) evaluate and develop perceived adoption characteristics for successful adoption of AFVs and (3) examine the relative influence of these factors on the decisions within adoption process. The three key steps include the following research activities:

(1) Within the conceptual part we review the findings about the adoption of AFVs in current

1995) and (Gerbing & Anderson, 1988). Both newly created and existing items are subjected to three rounds of sorting by judges to verify the discriminant and convergent validity of the scales (Moore & Benbasat, 1991; Sweeney & Soutar, 2001). Moreover, analysis of the inter-rater reliability about the item placement is accomplished. The validity of the scales will be checked using exploratory and confirmatory factor analysis (Clark & Watson, 1995). This second stage of the study is already under examination and results will be presentable at ACR 2012.

(3) On the basis of the (2) instrument development process and associated results, an integrative adoption model is created that explicitly

takes all relevant adoption factors into account and serves as framework for the subsequent quantitative-empirical study. To gain valuable insights a large-scaled consumer survey will be conducted. Using Likert scales the participants are asked to report the importance of each adoption factor. In addition, the participants' attitude towards AFVs, their intention-to-use, and their willingness-to-pay is determined. Based on these data, the aim is to simultaneously empirically evaluate the influence of all adoption factors (product, consumer, and external) included in our model on consumer's adoption intention as well as willingness-to-pay for an AFV (see figure 2). In order to do so, the gathered data will be analyzed via structural equation analysis to simultaneously determine the direction of relations between dependent and independent variables as well as dependencies between latent variables (Homburg & Giering, 1996). First results of the model test are also expected to be presentable at ACR 2012.

adoption framework for AFVs. Subsequently, scales to measure consumers' perception are developed through several iterative steps. Finally, within the third research step an integrative adoption model is created that explicitly includes all perceived product and external factors as well as consumer factors (values, behavior-related variables). Quantified within a large scaled online survey the empirical evaluation of our model helps to determine the relative influence of all adoption factors and their interaction on consumers' adoption intention and willingness-to-pay for AFVs. Due to these results not only scientific progress can be achieved, also for business practice new insights into the adoption process can be given. Thus, for the first time a comprehensive set of most relevant perceived adoption factors (product, consumer, and external) for AFVs is identified, refined and simultaneously tested in an integrative adoption model for AFVs. The findings carry implications for business and marketing strategy as well as for environmental policy. The study provides managers with insights
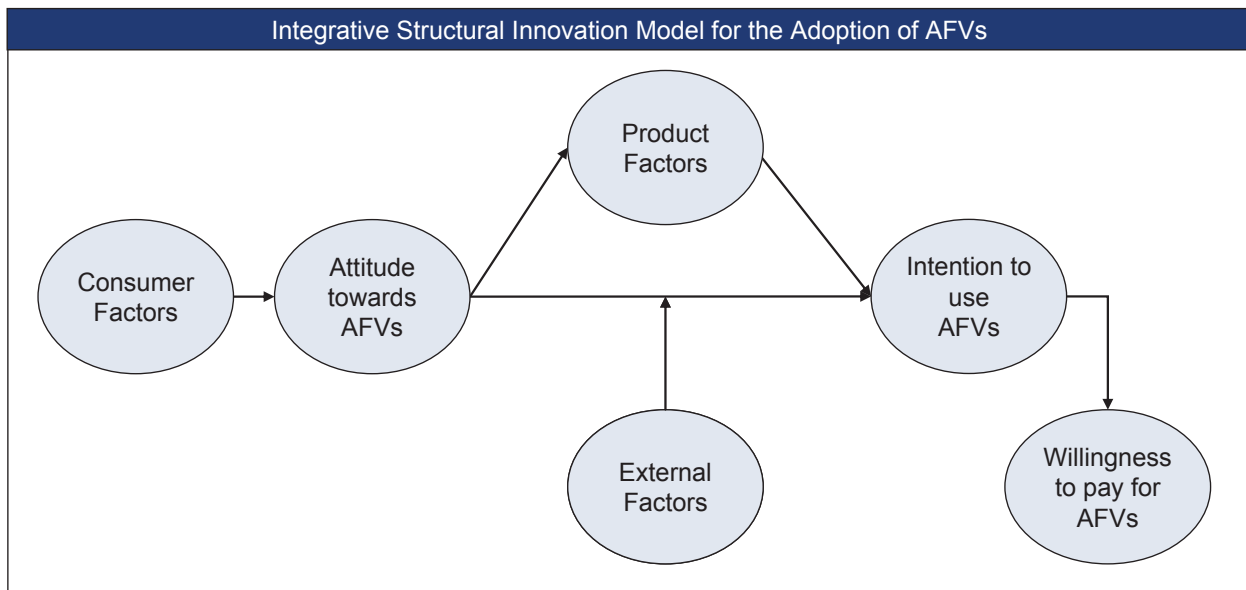


Figure 2: Integrative Structural Innovation Model

## CONCLUSION AND CONTRIBUTION

This study contributes to the emerging, but still inconsistent, literature on adoption of AFVs. Throughout the first and second research step the most crucial product and external factors within evaluation of AFVs are revealed to provide a comprehensive typology of most important primary adoption factors. To explain the different rates of AFV-adoption, the primary product and external factors are supplemented by consumer factors and then incorporated into our integrative innovation

into the relevance of different adoption factors that will help developing measures to enhance adoption of AFVs. Those measures could be used in product development, strategic management, as well as for marketing and communication purposes to improve market success of AFVs.

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# Family Indebtedness in a Gift Relationship

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## ABSTRACT

The objective here is to understand if and how monetary debt is related to a virtuous cycle of give-receive-reciprocation. Debt minimizes difficulties or restores rewarding relationships between people. The function of debt is to purchase products and services that increase the process of Positive Gift in extreme situations.

## EXTENDED ABSTRACT
## INTRODUCTION

One of the causes of the current economic crisis is the level of indebtedness of individuals and countries. Understanding how the process of debt begins will help the development of better public policies and promote the empowerment of the consumer. The knowledge of how this happens is one way to emancipate these consumers from harmful behavior.

Debt has been studied by focusing on attitudes and consumer profiles (Parker and Shatterjee, 2009; Schooley and Worden, 2010; Wang et al., 2011), the relationship of debt and psychological variables (Moorman and Garasky, 2008; Weller, 2007; Dew, 2007; McCloud and Dwyer, 2011) and, finally, the implications and consequences of debt (Baek and Hong, 2004; Lee et al., 2007; Lyons, 2004).

This study is based on the Gift Theory and paradigm (Mauss, 2003). Here we discuss debt and its relationship to the development of social ties; the main idea is the understanding of debt as a social bond among people. The premise of give-receive-reciprocation gives meaning to the circulation of goods and feelings (Caillé, 2002).

This principle is based on the notion of return, in the sense of obligation to reciprocate a gift received (Godbout, 1999). The gesture of reciprocation establishes a bond with another person. A gift relationship is not equitable since it cannot be calculated or put in equity, hence the debt is always in existence between the people concerned.

The existence of the gift is in the pleasure of the gesture of someone practicing this action and seeing the other receiving it. Therefore it is spontaneous, part of the subject´s own initiative. Thus, there is complete freedom of how to return this debt, which creates uncertainty among the people participating in the gift relationship. These requisites create bonding, interaction and sociability through a symbolic dimension of reciprocity (Mauss, 2003).

This is related to the typology suggested by Holt (1995), who proposed consumption as being a form of play in which people use goods and actions to create and develop interpersonal relationships. The Gift Theory and consumption as play can be configured as a cultural phenomenon in which to discuss social relationships, cultural meanings and symbolic categories through goods (Barbosa, 2004).

The purchase and use of goods results in more than functional satisfaction of needs – the social meaning is also extremely important (Appadurai, 2008; Douglas and Isherwood, 2004). The social significance of goods was analyzed in Malinowski´s ethnography (1984). Families and reference groups exchange knowledge, ceremonies and opinions, thus sharing experiences, and the gift is alive because it shows the recognition given in return.

## OBJECTIVE AND METHOD

The research question is: How does the Gift Theory relate to an indebted family in a contemporary society? The research objective is to understand if and how the monetary debt is related to a virtuous cycle of give-receive-reciprocation.

A qualitative inquiry was conducted following a phenomenological approach to understand the meaning and experiences of people facing a certain phenomenon (Patton, 2002). Family members of five indebted households were interviewed. The selection of respondents was made through a store specializing in lending money. The interview guide content addressed their life stories. Analyses were conducted by searching for patterns with a nomothetic approach, i.e., being interested in general dimensions in which all individuals and situations vary (Gibbs, 2008).

## DISCUSSION

The families studied had different compositions: married but one spouse living in another city with the daughter; divorced with daughters; second marriage; and married with children from the previous marriage.

The Gift Theory can be illustrated by a spiral because there is no end in this kind of relationship,

and it appeared in this study in family relationships with children. The debts arose as a result of times of instability: divorce, moving house and illness. These events may threaten the gift relationship since they generate processes of change in the lives of the individuals concerned. The debt arises in an attempt to restore the continuity of the gift.

In family unit 1, the divorce of the couple was reported to be a crucial point in changing certain aspects of life, for both parents and children. The debt arose as a result of maintaining the standard of living they had before the divorce, i.e., having the same kind of social life, shopping in the same places, the children attending the same school and even purchasing further goods (such as a guitar for the son). The reciprocation for this mother is being perceived as and feeling like a good mother – she is carrying out her role well. In family unit 2, the factors leading to the debt were the end of a long marriage and moving to another city. The divorce triggered the desire to move to a bigger city where the daughters could receive a better education. This was also the case in family unit 3, where the mother moved from one state to another to improve the education of her daughter. Both families believe that a bigger city will provide better facilities such as more well-known universities. In family unit 4, the factor was the end of a marriage and the wife remarrying, with the son from her first marriage living with them. Her new husband had a severe health problem and his stepson played a very important part in his recovery. These various factors had an influence on the rise in debt that provided the financial resources necessary for the son to realize his dream of becoming an airplane pilot and also to travel in order to attend several karate tournaments in Brazil.

The family scenarios, whether traditional families, divorced, or remarried, show that times of instability generate the emergence of debt, which is connected to a projection of stability in gift relationships with others, particularly with the children concerned.

On the other hand, when the person was living with relatives the debt was not related to the family but to their physical appearance to others. Family unit 5 is composed of a woman who is thirty-nine years old, single and living with her sister. The debt arose as she made purchases for herself, such as clothing and shoes, because she felt the need to be attractive at work and college.

Therefore, it is not only the goods but also the debt that serves to strengthen and build relationships in the social context. Hence, the function of debt is to purchase products and services that increase the process of Positive Gift. To sum up, the triggering factors of debt have restructured family dynamics and, through the gift, bonds established by the purchase of goods strengthen relationships, since the goods symbolize the intent.

The debt serves as a means of reintegration – recovering from a difficult time – by use of a gift spiral in a relationship. The receipt act is the feedback from the children showing their intentions, and the third act – the reciprocation – entails more surrender and dedication to the children. The purchase of goods, through the accumulation of debt, enables these interviewees to strengthen social ties, and promote interaction and sociability among those involved. Therefore, the purpose of these goods lies in their symbolic value rather than their monetary value.

## FINAL REMARKS

Debt has a role in contemporary society: to strengthen social ties at times when a gift relationship is in danger. The debt illustrates the process of consumption as play (Holt, 1995), since it has interfaces with the symbolic categories of cultural meanings and social relationships. To be in debt has a cultural significance through the Gift Theory as an attempt to re-establish social relationships. Thus, the family debt (by the head of the household) represents an increase in their social position, whether within the family or within the reference group.

The sacrifice of the debt happens through the effort of recognizing and demonstrating gratitude (in the family) and receiving social recognition (in the reference group) for example to be seen as a good father/mother.

Thus debt minimizes difficulties or restores rewarding relationships between people. Being in debt is not viewed negatively since it is seen through the lens of what it has provided, and those involved demonstrate the intention to do it again because the exchange of giving and receiving establishes harmony.

Therefore, debt can be considered as a means for a gift relationship. It should not be analyzed only as a monetary consequence of access to a specific good. One way to empower the consumer is to show that gift relationships can be based on other methods than financial debt.

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# Risky Consumer Behaviour: Are Group Processes Overriding Individual Autonomy?

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Risky consumption behaviours that occur within a group are likely to be increased by certain internal group mechanisms. This research explored group motivational gain effects within the context of alcohol consumption. While most participants said peer pressure did not play a part in their drinking, group intentions to drink, conjunctive task orientations, such as, drinking games, and buying rounds were found to be likely group motivators of excessive drinking.

## INTRODUCTION

Social marketing uses commercial marketing techniques as a means to induce behavioural change in a targeted audience on a temporary or permanent basis to achieve a social goal (Dann, 2010). It is typically used when education alone cannot help and legal controls are unpopular or currently unjustifiable (Rothschild, 1999). An example of this the Road Crew program which used rides (the service) to, between, and home from bars in exchange for tips (the price), which reduced alcohol-related crashes by 17% in the first year (Rothschild, Mastin, & Miller, 2006). Some researchers have criticised social marketing, saying that there is a tendency to focus on cognitive models and there is consequently an over-emphasis on individual behaviour change (Wymer, 2010). Complementing this view Gaur and Tiwari (2008) suggest that a large part of marketing literature is biased towards individual role of decision markers, and as a consequence have called for consumer behaviour researchers to investigate collective concepts and social variables. Furthermore, Gaur and Tiwari (2008) have stressed that this is really a lacuna in the field, as the power system in marketing has mostly stressed individual behaviour.

## CONTEXT

Within Australia a major health problem is risky drinking, estimated to cost society $36 billion in related healthcare, policing, court, and crime costs (Laslett, et al., 2010). In the state of Victoria alone, alcohol related problems have been increasing faster than population growth (Livingston, Matthews, Barratt, Lloyd, & Room, 2010). For eighteen to twenty-five year olds drinking is usually a social activity conducted in groups, with friends found to be the most consistent

and strongest factor in the initiation and maintenance of alcohol use in young adults (Petraitis, Flay, & Miller, 1995). Indeed, alcohol consumption rituals have been found to explicate the influence of group values over individual behaviours (Pettigrew, 1999). Therefore, this research investigated group consumer behaviour within the context of risky drinking. In order to generate new insight in this area, the research used an organisational behaviour theory known as the Köhler (1926, 1927) group motivational gain effect. This paper will overview the relevant literature, outline the methodology used, and present the results and contributions to the literature.

## GROUP MOTIVATIONAL GAIN EFFECT

Motivation has been found to change when an individual is in a group as compared to when they are not (Karau & Williams, 1993). Köhler motivational gain effects is one such effect, this phenomena find less able workers to perform better when members of a team than when working individually (Messé, Hertel, Kerr, Lount, & Park, 2002). Two discrete psychological mechanisms have been brought forward to offer theoretical explanations for Köhler motivational gain. The first of which is social comparison process (Stroebe, Stroebe, Abakoumkin, & Schut, 1996) which stresses that when working with a more capable partner on a valued task, individuals may revise their personal performance goals upward. This might express itself in a drinking situation where others are drinking large amounts and an individual would increase their drinking to keep up, by either trying to match, approach, or surpass. Another point of view is that doing well or better than the partner, a process known as successful competition, may become desirable (Kerr & Hertel, 2011). This may express itself in drinkers trying to 'win' by drinking larger amounts than their friends.

Secondly, is one's indispensability to the group (Hertel et al., 2000a) which suggests that the more indispensible individuals perceive their efforts to be for the group or personal outcomes, the greater efforts they should exert (Kerr & Hertel, 2011). In other words, the motivational gain is significantly higher when the least capable member's efforts are highly indispensable (e.g. under conjunctive task

demands) than when they are not (e.g. under additive or coactive task demands) (Hertel, Niemeyer, & Clauss, 2006; Hertal et al., 2000; Kerr, Messé, Seok, Sambolec, Lount, & Park, 2007). Essentially, when the task is conjunctive, all participants need to work together to achieve a goal, then individuals will increase their efforts.

Kerr and Hertel (2011) find that most research on the Köhler effect has been conducted under artificial conditions in the scientific lab usually with short-term, ad hoc groups, and with rather simple motor persistent tasks. Additionally, the work groups being tested are usually composed of strangers with no past, no future, and with minimal group identification (Kerr, Seok, Poulsen, Harris, & Messé, 2008). Several academic (See Haslam, 2004; Worchel et al., 1998) have argued that such conditions mitigate against group motivation gains and that identification with one's workgroup may be an important precondition for group gains. Thus, gaps exist in the literature, firstly friendship groups have not been studied, and secondly consumption behaviours have not been integrated either.

As such this research will seek to explore if and how Köhler motivation gains are expressed in group consumption behaviour and if this effect can explain increased alcohol consumption.

## METHODOLOGY

Semi-structured interviews were used to explore aspects of conjunctive task and social comparison. This qualitative method was chosen as it allows for the ability to probe for deeper insights discovering true inner meanings and new insights (Curry, Nembhard, & Bradley, 1999). Young adults, defined here as 18 to 25 year olds, were sampled as this age range marks an important time in one's life "characterised by rapid psychological and physical transition" (ABS, 2008). The interviews were audio recorded then transcribed. Data analysis involved searching for general statements about relationships and underlying themes (Strauss & Corbin, 1997). Temple analysis was used in this research whereby the researcher applies a set of codes to the data that may undergo revision as the analysis proceeds (Marshall & Rossman, 2006). A total of 10 interviews lasting between 15 and 80 minutes were conducted.

## MAJOR FINDINGS

The main findings of this research are outlined below. Firstly, in terms of explaining group consumer

behaviour Köhler motivational gain does align itself well when explaining excessive alcohol consumption in friendship groups. The conjunctive task phenomena reflected itself in group behaviours such as drinking games, buying rounds or buying amicably, and group intentions. Firstly, in terms of drinking games, participants who participated usually drank more than if they did not participate. Playing the game was seen as a team activity, where you had to play, and if you did not you would be chastised by the group as shown in Table 1. Seemingly paradoxical, the participants who said the group influenced them to drink when playing drinking games also said that peer pressure did not affect them. However, this is consistent with Köhler's theory, in that it is only under conjunctive task demands that performance increases (Kerr & Hertel, 2011). effects on alcohol consumption. Some participants said that it increased the rate of consumption while others said that they drank as the same rate regardless.

*Interviewer:* Would you say this increases the total amount people in the group drink?
*Tom:* yeah, but it's all reasonably paced it's not like as soon as you put down your glass someone is giving you another one. Yeah I would say it definitely has an impact on frequency.

Overall, this research demonstrates that Köhler motivation gain is an important theory to explain increased consumption practices through group processes. Investigating friendship groups adds an important and new dimension to the literature as does incorporating risky consumption behaviours. This research also makes a methodological contribution to the theory as Köhler motivation gains have only been studied quantitatively mostly in experimental designs. Of course this research is not without its limitations, social desirability bias as well as the limitations of the interviews themselves means participants may not tell the full story, future research could include observational techniques to better triangulate the data, and possible projective questions so as to elicit more honest answers.

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Buying drinks amicably, that is buying drinks between two people on a quid pro quo basis, was seen as more common and favourable than buying rounds.

| | |
|---|---|
| *Tom:* Well I dunno about rounds, but like we'd buy each other drinks amicably. | |
| *John:* But generally it can be I'll get this, you can get the next one. | |
| *Dave:* We might get one person a drink and they're get two drinks next time. | |
| *Kate:* …like normally with one or two people rather than the larger group. | |

Finally, group intentions, which involve the group planning to go out and drink, were also seen to make the drinking a conjunctive task.

> *Tif:* Yes, if you arrange to go out for dinner and drinks, yes. We do expect you to drink.
> *Interviewer:* Yes, it's part of the goal?
> *Tif:* Yes.
> *John:* It's just like, "Well, why did you come out tonight? We're doing what the group want to do."

In terms of the social comparison processes, explicit competition was seen as something that does not exist much within any of the participants groups.

| | |
|---|---|
| *Tom:* God no. | |
| *Mark:* No, not in the slightest. | |
| *Amy:* No never. It's about socialisation, it's not about competition. | |
| *Alex:* I haven't been to one where there has been competition, no. | |

There was an exception however:

> *Dave:* Sometimes. It's bad. Sometimes, not often.

Slight encouragement was seen as the only social comparison process that might increase alcohol intake in a group setting.

> *Mark:* They wouldn't say it like this, but tell them to catch up. Like, you should be more drunk. Have a good time, that kind of thing, but it's not really competitive drinking it's just encouragement to drink.
> *Interview:* yeah positive reinforcement
> *Mark:* [*jokingly*] damage your body please.

A summary of the results are shown in Table 2. Conjunctive task demands were expressed thought drinking games, buying rounds for the group, amicable buying between group members, and group intentions to drink. Social comparisons processes were predicted to occur through competition, how only one participant said that this occurred. Slight encouragement was the only route through which social comparison was shown to exist.

Table 2 - Summary of Results

| Process | Expressed through | Alcohol Consumption |
|---|---|---|
| Conjunctive Task | Drinking games | Increased |
| | Rounds | Increased in some groups |
| | Amicable buying | Slight increase |
| | Group intentions | Increased |
| Social Comparison | Slight encouragement | Slight increase |
| | Competition | - |

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# Indulging and Proud of It:
# Positive Emotional Responses to Reason-Based Luxury Consumption

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We propose that consumers may feel pride (a positive self-conscious emotion) after indulging. Across three studies, we find that high self-control consumers experience pride when they have a reason to indulge in luxury consumption, which in turn explains their post-consumption satisfaction and willingness to use the product.

While consumers may feel mixed emotions following indulgent consumption (e.g., feeling the pleasure of indulgence and frustration for having succumbed to temptation; Ramanathan and Williams 2007), previous research has primarily examined the role of negative emotions emerging from indulgent behavior (e.g., guilt and regret; Kivetz and Simonson 2002). Pride is known to be a powerful specific emotion that affects consumer behavior (Griskevicius, Shiota, and Nowlis 2010; Louro, Pieters, and Zeelenberg 2005; Williams and DeSteno 2008) and yet to date, pride has only been examined as an outcome of avoiding indulgence (Mukhopadhyay and Johar 2007). Given that consumption of luxury products is often marketed as a source of positive emotions (Twitchell 2003), it is important to understand conditions under which consumers may also feel pride after indulging and what downstream consequences such positive emotions can have on evaluations of the luxury product itself.

Although recent research suggests that, contrary to consumers' intuition, indulging with or without a reason does not affect the level of enjoyment (Xu and Schwarz 2009), most researchers agree that enjoyment (basic emotion) and pride (self-conscious emotion) are not the same. Pride is a self-conscious emotion associated with self-achievement; pride emerges after deliberative processing (Roseman et al. 1996, Giner-Sorolla 2001) and from appraisals of one's behavior vis-à-vis a social standard (Lewis 2004; Mascolo and Fischer 1995).

We propose that consumers will experience pride when they appraise indulging as deserved and self-relevant. While having a reason to indulge may bring a sense of achievement when reason-based indulgence is relevant to the consumer, reason-based indulgence may not be relevant for everyone, but only when it is consistent with one's personality traits. Consumers compare the perceptions they hold about themselves (e.g., I am a controlled and frugal individual; I am spontaneous and impulsive) with the situation (e.g., indulging with or without a reason), and pride elicits when these two aspects are congruent (Tracy and Robins 2004). Because having a reason to indulge (I am indulging because I am rewarding myself) is more likely to be congruent with high self-control personality aspects (e.g., I am a controlled and frugal individual, I think through all the alternatives before acting), we predict that high (vs. low) self-control consumers will experience pride when they have a reason to indulge. Thus, we hypothesize that consumers with high levels of trait self-control will appraise an opportunity to indulge with a reason as a behavior characteristic of a savvy and rational consumer, deeming it as relevant to who they are. As a result, high self-control consumers will be more likely than low self-control consumers to experience pride when they have a reason to indulge. In our first study, 135 females were asked to imagine that they bought an expensive dress. They were either given a reason to indulge (reason condition) or not (no reason condition). In the justified condition, participants read that by buying another item they could get a discount on the total purchase, whereas no such information was provided in the unjustified condition. Participants reported the extent to which they felt proud and how satisfied they were with the purchase, each with two items (all r > .71, $p < .05$) using 7-point scales. We measured self-control using a short self-control scale (Tangney, Baumeister, and Boone 2004). As predicted, regression results revealed a significant interaction between reason and self-control on pride ($\beta = .31$, SE = .11, t = 2.87, $p < .01$) and on satisfaction ($\beta = .21$, SE = .10, t = 2.22, $p < .03$). A spotlight analysis at 1 standard deviation above the mean suggests that high self-control consumers feel more proud ($\beta = .45$, SE = .15, t = 2.92, $p < .01$) and are more satisfied ($\beta = .30$, SE = .14, t = 2.18, $p < .03$) when they have a reason to indulge versus when they do not. A spotlight analysis at 1 standard deviation below the mean suggests that low self-control consumers do not seem to change their emotional response as a function of having a reason

to indulge (all *p* >.1). Mediation analysis further show that when pride was inserted as a criterion in the hierarchical regression predicting satisfaction, pride was significant ($\beta = .23$, SE = .08, t = 2.94, *p* < .01) but the interaction became non-significant ($\beta = .01$, SE = .08, t = .17, *p* > .86, Sobel z = 2.05, *p* < .05).

Study 2 replicated these results (N = 70, 41.4% male) with a different product (jeans), a different measure of self-control (consumer spending self-control, Haws and Bearden 2010), and while asking participants to recall a reason, which increases the validity of the study given that episodic recall is likely to elicit the same emotions experienced in the actual situation (Xu and Schwarz 2009).

Study 3 (N = 111) used a 3 (no reason vs. consolation vs. reward) between-subjects design. We adapted the manipulations developed by Xu and Schwarz (2009) to distinguish between two types of reason to indulge. Consumers may indulge to console themselves (e.g., after getting a very bad grade in a course) or to reward themselves (e.g., after getting a very good grade). Given that pride is linked to appraisal of success in situations (Higgins et al. 2001; Lewis 2004), we predict that participants will feel proud after indulging more so when they are rewarding themselves than when they are consoling themselves. A regression analysis revealed that reward ($\beta = 1.36$, SE = .40, t = 3.41, *p* < .01) and the interaction between reward and self-control ($\beta = .96$, SE = .41, t = 2.33, *p* < .03) predicted pride. We also found an effect of reward ($\beta = 1.64$, SE = .47, t = 3.53, *p* < .01) and an interaction ($\beta = .94$, SE = .48, t = 1.96, *p* < .05) on satisfaction. Spotlight analyses were consistent with studies 1 and 2, suggesting that high self-control consumers feel more proud ($\beta = 2.32$, SE = .50, t = 4.69, *p* < .01) and more satisfied ($\beta = 2.21$, SE = .57, t = 3.85, *p* < .01) when they indulge to reward themselves as opposed to when they indulge without a reason. Further, pride significantly mediates the effect of reward and the effect of the interaction on satisfaction (Sobel z = 2.28, *p* < .05).

We show that having a reason to indulge with a luxury product leads to a feeling of pride, and that this effect is moderated by trait self-control. Specifically, high (as opposed to low) self-control consumers are more likely to be proud of having purchased a luxury product if they have the right reason to splurge. Importantly, we also show that pride emerging as a consequence of reason-based indulgence increases purchase satisfaction and lowers willingness to return the product.

We contribute to research on affect and self-regulation by exploring conditions under which positive, self-conscious emotions such as pride may emerge after indulgence and influence post-purchase judgments. Our findings also qualify previous research by showing that having a reason to indulge produces different emotional experience and post-consumption judgments when we consider how reasons interact with consumers' level of self-control.

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# Just too Cool: Managing the Expectations of a Brand Community

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## INTRODUCTION

The benefits of a consumption community have been widely discussed in the literature. (Cova and Cova 2002; Muniz and O'Guinn 2001; Schau, Muniz and Arnould 2009; Schouten and McAlexander 1995) Consumption communities for marginal interests have particularly flourished on the internet; participants "disregard the limitations of geography and time, find subcultural interests and social affiliations." (Kozinets 1999)

"These e-tribes are of substantial importance to marketing and business strategies." (Kozinets 1999) by facilitating the 'fundamental and dramatic shift that is occurring in relationships between organisations and their customers." (Humpreys & Grayson 2008) The distinction between the producer and consumer is being blurred into what has been called the prosumer, consum-actor or even working consumers. (Canniford 2001; Cova and Dalli 2009; Kotler 1986) Additionally, the members of these communities can act as powerful brand ambassadors or evangelists (Schau, Muniz and Arnould 2009) and provide positive word-of-mouth marketing for brands. (Armstong 1998; Hagel and Armstrong 1998; Hagel and Singer 1999)

However, the existence of the brand community also has potential downsides for a brand; these consumers are so invested in the brand, they begin to regard brands as 'shared cultural property rather than as privately owned intellectual property. Familiarity breeds ownership." (Cova and Dali, 2009) This sense of ownership can lead to tribal 'plundering', using the intellectual property of others for the fans' own ends (Brown 2007; Kozinets 2007) and corruption of the brand image, as in the case of Burberry and the 'Chav' subculture. (Hayward and Yar 2006)

This paper examines the experiences of an Irish craft enterprise, Hedgehog Fibres, with a strong online brand community, located within a larger online consumption community, Ravelry.com. While the online community formed around the Hedgehog Fibres brand has been a huge asset to the company, it has also presented some challenges.

## RESEARCH BACKGROUND

Wills (2007) describes an "explosion in the popularity of knitting", particularly among younger women. Hedgehog Fibres is an independent yarn dyeing business in Co. Cork, Ireland aimed at the higher end of the market. In 2010, the company turned over €100,000 as a home enterprise. It has since expanded to one full-time and two part-time employees and moved to a new business premises.

Much of the company's marketing efforts are focused on Ravelry.com, a knitting based social networking and database site with approximately 1,775,000 members, the majority being US based. The Hedgehog Fibres Rocks board, a forum set up by brand fans, has 730 members. The brand also has a Facebook page, blog and Twitter feed, to maximise customer involvement.

## METHODOLOGY

In the field of brand communities and subcultures of consumption, exploratory research undertaken by ethnographic and nethnographic research methods has gained acceptance due to its use by leaders in the field, such as Russell Belk, Melanie Wallendorf and John Sherry (Belk, Wallendorf and Sherry 1989), Bernard Cova (Cova, Pace and Park 2007), John Schouten and James McAlexander (Schouten and McAlexander 1995; Martin, Schouten and McAlexander 2006) and Robert Kozinets (Kozinets 2002; 2010).

The current research was undertaken by participant observation by the primary author within the knitting community, both off- and online, and through her work as Hedgehog Fibres marketing manager.

## FINDINGS

Pace, Fratocchi and Cocciola (2007) say that "SMEs and even craft companies can leverage the tribal phenomenon and a single entrepreneur may even gain competitive advantage over larger organisations." Hedgehog Fibres is an example of a craft company that has leveraged its image as a high-end luxury niche brand in this way to sell its handmade products at a premium.

While the company has worked hard to establish a vibrant brand community within the Ravelry.com community, this has not been without its own pitfalls.

The "ownership" felt and expressed by

community members can lead to the alienation of other potential customers. In a thread entitled "Fawning and 'Fan'ing" on the 'Yarnthropology' board on Ravelry, which had 1415 readers, the issue of over zealous fans being a possible detriment to the brand was discussed.

*"Have you felt left out or marginalized by not being among an inner circle of fans?"* (Stellae, 2010 )

Members of the brand community are dismissed as Knitterati (Stellae, *2010*) or "fangirls/ boys" (Ellinlyn, 2010) and described in unflattering terms.

*"They'll use the dyer's first name a lot, rather than the 'brand' name and correct or 'inform' other posters about the dyer constantly….They'll try to link themselves with the dyer, hinting at being the dyer's biggest customer, how they spend an incredible amount of time trying to snag a colourway or having a colourway inspired by them."* (Zephyrama, 2010)

*"The whole fan thing is a real turnoff for me. Especially when the worshippers descend on someone who makes a neutral comment and start attacking, or start talking about a designer or dyer by first name, speculating on how they must think or feel, speaking for them –UGH!"* (Glwana, 2010)

This fan ownership can cause potential customers to experience negative feelings about a brand, possibly without justification.

*"What sucks about the fan-pile-on is that it leaves a bad taste in my mouth about the dyer/ writer/designer in question, when most of the time they deserve the approbation they're getting."* (oneandonlysteph, 2010)

Members of the brand community can also create problems in the area of customer service, when they become over defensive of 'their' company and by doing so possibly undermine the brand.

*"The fangirls and fanboys annoy me when they take up arms against anyone with a legitimate criticism of the yarnie/business/product/blog content… The weird need some fans have to deny that their god/goddess could ever make a mistake is fascinating."* (pennywenny, 2010)

*"And when I see the fanners attacking others for bringing up issues and these attacks are of a personal nature and the dyer (who is a mod* [moderator] *of the group) lets these personal attacks slide I hear alarms."* (Zephyrama, 2010)

*"Unfortunately, these kinds of fanning sometimes make me like the dyer a little less, even though the dyer didn't actually say any of the things*

*that annoyed me."* (pennywenny, 2010)

Hedgehog Fibres has experienced these issues within its own brand community. As the company undergoes rapid expansion, some members of the brand community, rather than acting as advocates, have become possessive of the brand. Some have complained vociferously, in the forums and via personal communications with the company founder about 'newbies' (non-community members) getting exclusive club memberships, which are offered on a first come, first served basis.

Members of the brand community have also become critical of customers with genuine quality control issues. In a thread entitled "washed/ unwashed", a customer complained that she had experienced colour fading after washing a sock knit from a hedgehog fibres yarn. Forum members immediately leapt to the brand's defence, in exactly the sort of exchange that upsets and annoys 'outsiders', as above.

*"40 degree Celsius… would be too hot and sadly, likely to cause fading like that. It looks like the sock also felted slightly."*(Yukirei, 2011)

*"What kind of detergent/washing solution did you use? If it had any bleach or "brightener" additive, that could had* [sic] *added to the problem. I think the temperature was definitely too high, though."* (Gwenht, 2011)

The original poster understandably became upset and defensive, and even though the company employees were online within hours to provide appropriate customer service, the customer later expressed dissatisfaction with the brand as a whole, and stated that she would not be making any further purchases.

Additional problems are presented when fans who are overly demanding of the company. Members of the brand community have asked to be shown HF dying methods and for supplier information for use in their own businesses, and been offended by a negative response. As the company expands, some customers are dissatisfied when staff members rather than the business owner respond to their contacts. They may feel that their membership of the brand community entitles them to the owner's personal attention.

## CONCLUSION

In this rapidly expanding company, managing the expectations and experiences of the brand community has presented unexpected challenges. Earlier studies have clearly demonstrated the advantages of brand

communities in marketing. This study, however, has shown how a brand community also has the potential to negatively impact a fledgling business. Careful monitoring of the on-line environment can help a company detect potential problems at an early stage and allows for the possibility of satisfactory resolutions.

Mindful of Schau, Muniz and Arnould's (2009) idea of 'seeding practices', the company have begun to encourage participation by new members in the brand community. For example, prizes for FOs (Finish Objects) completed in Hedgehog Fibres yarn are now awarded by random number selection rather than community voting and the business owner is attempt to boost the online status of her employees. However, earlier adoption of seeding practices might have prevented the evolution of the jealous forms of ownership.

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# Effects of Package Color on Consumers' Product Volume Perceptions

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In three studies, we show that consumers estimate products to have greater volumes when their packages have a high wavelength color (red) than when they have a low wavelength color (purple). Our results further suggest that this effect occurs because consumers perceive objects that attract more attention as being larger.

A body of research in marketing has examined the effects of visual biases on consumers' judgments of product volumes (Krishna 2007). 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 preliminary evidence that attentional differences can contaminate people's judgments of relative size such that objects that attract more attention are judged as larger. Their logic is based on reversing the argument that large sizes attract more attention.

Research in psychology has shown that reds (and other high wavelength colors) attract more attention than 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, "retreat," or go unnoticed (e.g., Johns and Sumner 1948; Taylor and Sumner 1945).

Combining research suggesting that high wavelength colors attract more attention than low wavelength colors with research that preliminarily suggests that objects that attract more attention appear larger leads us to hypothesize that consumers will 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).

Past research in psychology on the effect of color on people's size judgments has yielded conflicting findings (e.g., Bevan and Dukes 1953; Claessen, Overbeeke, and Smets 1995; Gundlach and Macoubrey). While some papers have reported that objects with a high wavelength color appear larger than those with a low wavelength color, others have reported the opposite result, and still others have

reported results suggesting that some individual colors appear larger than others independent of their relationship through wavelength (e.g. red and blue both appear larger than yellow and purple).

A major weakness of this past research is that it did not utilize a standardized color system to vary hue while holding brightness and saturation constant. We believe that this oversight accounts for the conflicting findings that have been reported, and in the present research we correct for this by using a standardized color system (the Munsell system), which defines three independent color dimensions (hue, chroma, and value) based on just noticeable differences that have been estimated through perceptual studies.

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 hue (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 ($N = 55$ vs. $N = 25$), ($\chi^2 (1) = 11.25, p < .01$). We also obtained this effect with hues that were closer in wavelength, as significantly more participants judged the yellow shape to be larger than the green shape than vice versa ($N = 58$ vs. $N = 22$), ($\chi^2 (1) = 16.20, p < .01$).

In study 2, we asked 16 participants to view pictures of 12 products. After each product, we asked them to estimate its volume in mL, state their willingness to pay for it, and answer a series of distracter questions. We photographed the products next to a can of soda that served as a volume reference and used professional software to re-color the packages. One product, a box of laundry detergent, 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 detergent box (actual volume = 5000 mL) 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 volume underestimation in both conditions is consistent with past findings in psychophysics (e.g., Frayman and Dawson 1981). 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, $p < .05$).

In study 3, we asked 36 participants to engage in the same procedure as in study 2, but with an added between-subjects manipulation of attention (non-equalized versus equalized). In the non-equalized attention condition, participants completed the same procedure as in study2, whereas in the equalized attention condition we included instructions at the beginning of the experiment that told participants to view each product carefully and to try to devote an equal amount of attention to each product. We also included reminders to this effect on each product screen. An additional difference with study 2 was that the target product that appeared twice in the series was a bucket of fish food (actual volume=10000 mL). Consistent with our hypothesis, a within-subjects ANOVA revealed a significant interaction between hue and attention ($F(1, 34) = 12.39, p < .01$). Whereas in the non-equalized attention condition participants' estimates of the volume of the fish food bucket were significantly higher when it was colored red ($M$ = 5666.66 mL) than purple ($M$ = 5250 mL), ($F(1, 17)$ = 14.66, $p < .01$), in the equalized attention condition this effect disappeared ($M_{red}$ = 5277.78, $M_{purple}$ = 5250, $F(1, 17)$ = 2.13, $p = ns$). Furthermore, in the non-equalized attention condition participants spent significantly more time viewing the red package ($M$ = 1.58 seconds) than the purple package ($M$ = 1.48 seconds, $F(1, 17)$ = 10.93, $p < .01$) before answering the questions, whereas in the equalized attention condition this effect disappeared ($M_{red}$ = 1.56 seconds, $M_{purple}$ = 1.57 seconds, $F(1, 17)$ = .06, $p = ns$), indicating that our manipulation of attention was successful (2-way color-attention interaction $F(1, 34)$ = 7.94, $p < .01$).

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# Fashionably Unfashionable: Young Scottish Masculinities and Relational Constructions in the Marketplace

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Research into men's consumption and the construction of masculinities has increasingly observed men's 'feminisation' in the marketplace, for example through shopping or clothing practices. This paper seeks to contribute to this research through presenting findings from an ethnographic study, depicting how these are shaped by relational and cultural versions of masculinity.

Men and masculinities in the marketplace have gained in prominence in consumer research over recent years (Holt & Thompson, 2004; Thompson & Holt, 2005), also evidenced by the growing number of papers discussing this topic at ACR Gender, Marketing and Consumer Behaviour conferences (two papers in 1991, in contrast to 13 in 2008).

Viewing the traditional consumer as female (Firat, 1991), women have been described as empowered by the marketplace, not least through a growing female workforce in the marketing sector (Scott, 2000). In relation to different gender roles in shopping activities (Otnes & McGrath, 2001), changes have been observed from men's behaviour as rather passive, towards more active participation and interest (Tuncay & Otnes, 2008a). This has been frequently conceptualised as the emergence of the heterosexual 'metrosexual' (Salzman *et* al., 2005). Despite an increasing acceptance of shopping, clothing and grooming activities for men, these were still described as filled with anxiety and tension (Tuncay & Otnes, 2008b), with men adhering to collective 'safe zones' (Rinallo, 2007). One reason for this tension has been the traditional association of these practices as feminine. While these studies have therefore advanced our understanding of men as gendered consumers, they appear to neglect cultural and contextual considerations, as well as understandings of masculinity as multiple and relational (Connell, 2005; Kimmel *et* al., 2004). In a time where (gender) boundaries are blurring and decomposing (Peñaloza, 2000), questions of how young men use culturally situated marketplace resources to construct gendered selves through practices such as clothing or shopping in general still remain.

This paper begins with a brief review of previous consumer research of men and masculinities, recognising its contribution, but also drawing attention to how male/female or masculine/feminine dichotomies have been reinforced through a focus on gender differences or traditional associations with gendered consumer behaviour. It then moves on to define concepts of masculinity in more detail, providing an understanding of masculinities as relational and multiple, yet also contextual and contested. In particular, the cultural aspect of Scotland and Scottish masculinities and relational or parallel masculinities are pointed out. This is followed by methodological considerations which underpin the study from which findings are subsequently presented. These considerations outline the context of an ethnographic study which aimed at exploring young men's construction of individual and collective masculinities through consumption practices. A particular focus in this paper is placed on three shopping go-alongs (Kusenbach, 2003) with key participants, which were undertaken as part of thirteen months of participant and non-participant observation. The concept of phenomenological ethnography (Katz & Csordas, 2003) is presented in this context, and a discussion of how this aimed at overcoming challenges connected to gender differences in the field.

Findings highlight the contentious meanings that 'shopping' had for these young men and three key themes summarise how shopping practices were performed in this cultural context. The first theme of resistance emphasises a cultural expectation of young men to not care about clothing or shopping (Frith & Gleeson, 2004). Underlying this guise was a much deeper aversion to these practices based on cultural understandings of other men and masculinities as fashionable and reliant on the marketplace for providing resources for constructing confident masculinities (Connell, 2005). Shaping the notion of the gendered 'underdog' consumption (McGinnis & Gentry, 2009), other, parallel masculinities emerged as based on class, age, and cultural backgrounds. The response to these negative associations (Banister & Hogg, 2003) was often the skilful avoidance of brands, symbols or shops, frequently pushing the particular demands of participants either to the margins or the very mainstream. The second theme of invisibility (Kaiser *et* al., 2008) highlighted how various shopping

practices were often less consciously performed, mainly for an association with accepted interests such as football, music or gaming. Similar to the notion of remaining within 'safe zones' (Rinallo, 2007), this invisibility emerged as sought due to a collective socialisation into doing 'normal' masculinities in this cultural context. Finally, findings also highlighted a consumer emancipation, where these young men portrayed their confidence to shop for themselves and disregarded collective norms or expectations.

This work supports Tuncay & Otnes' (2008a) findings of men as becoming more active and involved in shopping activities. For one, their choice of shops and clothing was differentiated and the careful decisions of what and when to wear often provided insights into skilful searches of marketplace options. At the same time, it is suggested that men as 'shoppers' are much more pervasive than has been acknowledged, advocating a widened understanding of men as gendered consumers. While findings provide an understanding of the difficulties for men to make choices, the relational approach of depicting parallel versions of masculinity removes the notion of men participating in a more 'feminised' marketplace. Rather, it is suggested that it is frequently 'other men' who shape these activities. As such, the marketplace emerged as often lacking the resources for young men to construct their multiple and flexible selves. Although in this instance participants actively identified with marginalised or underdog positions, they often felt disempowered and misrepresented, and in need of culturally viable alternatives (Chant, 2000). In particular, this work therefore highlights the importance of breaking down gender dichotomies, and, without disregarding its relational aspects, provides practical contextualisations of gender as a cultural construct through an understanding of the 'fashionable' in the 'unfashionable'.

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# Achieving Forgiveness: Do Service Recoveries and Relationships Really Matter?

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## ABSTRACT

This study examines how relationships and service recovery drive the three primary motivations of forgiveness. The results showed that relationships impacted two of the three forgiveness-related motivations whilst favourable service recoveries successfully impacted all three. This suggests that service recoveries are better at enhancing forgiveness.

## EXTENDED ABSTRACT

Relationship marketing suggests that relationships can mitigate the intensity of dissatisfaction (Berry, 1995; Priluck, 2003). This means that given a service failure, relational customers are more likely to disregard the incident and continue with their relationship. Research supporting this view has shown that relational consumers do possess higher loyalty, commitment, trust, and satisfaction levels after a service failure (Mattila, 2001; Priluck, 2003; Vazquez-Casielles, del Rio-Lanza, & Diaz-Martin, 2007). Scholars investigating the underlying process for this occurrence have shown reductions in anger and blame (Forrester & Maute, 2001), and lower recovery expectations (Hess Jr, Ganesan, & Klein, 2003). As a result, developing relationship strategies are crucial for service firms.

Given a service failure, the way in which companies respond can further reduce or enhance satisfaction (Bitner, Booms, & Tetreault, 1990). Specifically, favourable service recovery outcomes may indicate that the company really does care, resulting in positive consumer responses. Explanations of how these positive responses arise tend to revolve around justice theory. These justice-based studies often utilise manipulations for distributive, procedural, and interactional justice to examine how each influences consumer responses (Lin, Wang, & Chang, 2011; Smith, Bolton, & Wagner, 1999). Correspondingly, scholars have shown that the three justice dimensions positively influence satisfaction and repurchase intention, and negatively influence negative word of mouth (Lin, et al., 2011; Smith, et al., 1999; Tax, Brown, & Chandrashekaran, 1998). This means that service recovery influences consumer perceptions of justice which then re-establishes the balance of fairness between the consumer and the service firm.

Thus far, researchers have explained how relationships and recoveries are able to protect service firms but do not explicitly compare the two strategies. Relationship strategies are practiced from the moment a consumer comes into contact with the service firm. As a result, this strategy occurs prior to service failure incidents and is nurtured as a mutual phenomenon. In contrast, service recoveries take place after a service failure incident. Despite being pre-planned, service recoveries are dependent on the occurrence of a service failure, hence is a reactive response driven by the service firm. In this study, we propose another mechanism for resolution; forgiveness. In contrast to relationships and recoveries, forgiveness is controlled by consumers however may be influenced by both relationships and recoveries.

Research on forgiveness in a business context has only been explored conceptually primarily through interviews (Beverland, Chung, & Kates, 2009; Chung & Beverland, 2006; Tsarenko & Tojib, 2011), as a result, consumer forgiveness research is still relatively new. To our knowledge, this study represents one of the first empirical studies on forgiveness in a business context. Specifically, it comes in response to Gregoire, Tripp, & Legoux's (2009) call for research that offers "a more complete examination of the forgiveness construct......it is important to understand what leads customers to seek reconciliation or forgiveness after service failure episodes" (p.29). In their research, the authors focussed solely on avoidance and revenge, behaviours often associated with the lack of forgiveness. To obtain a more complete examination of forgiveness, we apply the updated measure of McCullough et al's (1998) transgression-related interpersonal motivations. In accordance with most conceptualisations of forgiveness, the updated measure incorporates positive motivations on top of revenge and avoidance motivations (see McCullough, Root, & Cohen, 2006). Finally, we relate forgiveness to a firm's relationship and recovery strategies by proposing that both strategies enhance forgiveness.

Forgiveness has been defined as a voluntary process (or the result of one) which encompasses the release of negative emotions and the desire to retaliate (American Psychological Association, 2006; Chung, Beverland, & Gabbot, 2004). Effectively the

process is considered constructive, as it allows for a more positive view of one's offender through the transformation of motivations. These forgiveness related motivations include revenge, avoidance, and benevolence (McCullough, et al., 1998; McCullough, et al., 2006). Revenge and avoidance motivations address the victim's tendency to want to harm and stay away from the offender, therefore detracts from forgiveness. In contrast, benevolence motivations address the victim's tendency to move on from the incident therefore adds to forgiveness. This study adapts the motivations-based conceptualisation of forgiveness to represent consumer forgiveness.

The psychology literature recognises a number of factors that may enhance an individual's motivation to forgive. Here we focus specifically on relationships and recoveries. A number of studies have suggested a positive relationship between relationships and forgiveness (Brann, Rittenour, & Myers, 2007; Finkel, Rusbult, Kumashiro, & Hannon, 2002), indicating that relationships may enhance forgiveness. Specifically, by possessing a strong relationship, consumers may find it easier to let go of the failure incident. This suggests that relational consumers are more likely to forgive, therefore decreasing revenge and avoidance and increasing benevolence motivations. For this study, we chose to conceptualise relationships based on the level of interaction thus three representations are used ranging from no relationship, to pseudo-relationships, to true relationships (Gutek, Cherry, Bhappu, Schneider, & Woolf, 2000; Mattila, 2001). The following is therefore proposed:

H1a: Given a service failure, revenge motivations will be highest among consumers who possess no relationship, followed by those with pseudo-relationships and true relationships.

H1b: Given a service failure, avoidance motivations will be highest among consumers who possess no relationship, followed by those with pseudo-relationships and true relationships.

H1c: Given a service failure, benevolence motivations will be lowest among consumers who possess no relationship, followed by those with pseudo-relationships and true relationships.

A number of studies have also shown that forgiveness can be influenced through the offender's actions. For example, an offender's remorse has the ability to enhance forgiveness, particularly when remorse is communicated through sincere apologies to enable emotional healing (Gordon & Baucom,

1998). An offender can also seek forgiveness through a number of actions aimed at cancelling out their debt to the victim. For example, in marital transgressions, gifts can be bought as an offering for the upset partner to accompany an apology. Consistent with this notion, service recovery strategies utilising an apology and compensation is expected to promote forgiveness, specifically by reducing revenge and avoidance, and increasing benevolence.

H2a: Given a service failure, revenge motivations will be lower when service recovery is favourable.

H2b: Given a service failure, avoidance motivations will be lower when service recovery is favourable.

H2c: Given a service failure, benevolence motivations will be higher when service recovery is favourable.

To test the hypotheses, a 3 x 2 factorial between subjects design is employed in the context of a failed dining experience. Relationships are manipulated to represent true, pseudo, or no relationships, and service recovery is manipulated to represent a favourable versus an unfavourable outcome. Furthermore, we control for the effects gender and the perceived severity of the service failure incident.

The relationship-based results showed a significant main effect of relationship type on avoidance and benevolence motivations, however failed to demonstrate a significant main effect on revenge motivations therefore H1a is rejected. Avoidance motivations was shown to be significantly higher in the no relationship condition compared to the pseudo-relationship or true relationship conditions. However pseudo-relationships and true relationships did not differ significantly on avoidance motivations, hence H1b is partially supported. Finally, benevolence motivations did not significantly differ between those in a pseudo-relationship or a true relationship condition, however in the no relationship condition, benevolence motivations was significantly lower than the other two conditions. This finding again partially supports H1c.

The recovery-based results showed a significant main effect on all three forgiveness related motivations. Specifically, when service recovery was favourable, revenge and avoidance motivations were significantly low in comparison to when service recovery was unfavourable, whilst benevolence motivations were significantly higher. H2a, H2b, and H2c are therefore all supported.

This research contributes to existing research by demonstrating how service recovery and various forms of relationships impact consumer forgiveness. Furthermore, by successfully adapting a measure of forgiveness that takes into account benevolence, we have effectively responded to Gregoire et al (2009). In light of these findings, it appears that recovery strategies are more effective than relationship-based strategies at enhancing forgiveness. This is shown through the ability of service recovery to influence all three forgiveness related motivations, whilst relationships failed to impact revenge motivations. Consequently, service firms should not rely solely on their relationship with consumers to recover from the effects of service failures. Instead, service recovery strategies should complement the service firm's relationship based strategies in order to achieve forgiveness.

The ability of service recoveries to influence all aspects of forgiveness may also relate to the double deviation effect suggested in the literature. A double deviation effect describes a core failure coupled by an inadequate response to the failure, which overall magnifies negative responses (Bitner, et al., 1990). This study was able to show that when service failures occur, revenge motivations may still lurk even with highly relational consumers. As a result, when the response to the failure is inadequate, there is room for revenge motivations to grow. The negative responses are therefore magnified into the double deviation effect. In contrast, when the response to the failure is adequate, the revenge motivations that were originally lurking effectively reduce.

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# Adverse Effects of Online Product Recommendations

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We report the results of an experiment in which use of an electronic recommendation agent negatively impacted participants' choice satisfaction, sensory experience, attitudes, and purchase intentions. The data support our hypothesis that use of a recommendation agent leads consumers to overweight utilitarian product attributes and underweight hedonic attributes in choice.

The increasing amount and complexity of feature information, particularly in online environments, has made selecting the right brand or product increasingly difficult (Thompson, Hamilton, and Rust, 2005). Since consumers do not want more product information per se, but rather the ability to be fully informed and to make a choice that is optimal for them (Pine, Peppers, and Rogers, 2005), it follows that the attractiveness of the increased amount and complexity of information offered by online retailers depends on the ability of consumers to use it effectively (Alba et al., 1997).

Product recommendation websites such as MyProductAdvisor.com assist consumers in making complex purchase decisions in diverse product categories. These websites provide electronic recommendation agents that first ask users questions about their preferences for product attributes and about individual factors, and then rate and rank order available products on the basis of their responses. The goals of these agents include improving decision quality and increasing consumers' satisfaction (West et al., 1999).

Although previous research has extensively examined the influence of electronic recommendation agent use on decision quality (e.g., Haubl & Trifts, 2000), far less research has examined effects on satisfaction. Furthermore, those papers that have examined satisfaction have focused on satisfaction with the choice process (Bechwati & Xia, 2003), rather than on satisfaction with the choice itself, which is a separate construct (Zhang & Fitzsimons 1999). However, choice satisfaction is important to marketers, since it has been shown to influence attitudes and purchase intentions (Oliver, 1980).

In this manuscript, we examine how use of an electronic recommendation agent for nutrition bars impacts consumers' choice satisfaction, attitudes, and purchase intentions over a period of one to two weeks, the time frame in which repurchase decisions in this product category are typically made. We hypothesize that use of an electronic recommendation agent leads consumers to overweight utilitarian product attributes and underweight hedonic product attributes, thereby leading to lower satisfaction with the product in the long-term. We report the results of an experiment that support this hypothesis.

We chose to conduct the experiment within the nutrition bar product category, since marketing communications for nutrition bars typically include both utilitarian and hedonic product information as described earlier. Furthermore, examination of the nutrition bars available at several local grocery stores and nutrition websites (e.g., NutritionDeals.com) revealed that relatively utilitarian brands (i.e., those that offer excellent utilitarian attributes but somewhat unappealing hedonic attributes) and relatively hedonic brands (i.e., those that offer excellent hedonic attributes but somewhat unappealing utilitarian attributes) are both quite common.

The experimental design had two between-subjects conditions (recommendation agent vs. control). Participants were assigned to one of the conditions and asked to examine descriptions of eight brands of nutrition bars and to select one of these brands to sample at home. At the conclusion of the in-lab portion of the experiment, participants received a package containing five sample bars of the brand that they had selected (in reality, all participants received the same bars, wrapped n different packaing). One week after the experimental session, participants received an email that contained a link to an online follow-up survey that assessed their overall satisfaction with the brand that they had selected, as well as their taste perceptions, purchase intentions, and willingness to recommend the brand to friends.

We developed detailed descriptions of the eight fictitious brands of nutrition bars. Each description consisted of two utilitarian elements (a nutrition facts table and an ingredients list and two hedonic elements (a picture of the brand's package, and pictures of male and female non-celebrity spokespeople who endorse the brand). We chose these particular utilitarian and hedonic elements,

since all of them typically feature in marketing communications for nutrition bars. We designed the brands such that four were relatively utilitarian and four were relatively hedonic.

Consistent with our hypothesis that use of a recommendation agent leads consumers to overweight utilitarian product attributes and underweight hedonic product attributes, the percentage of participants who chose one of the four utilitarian brands was significantly greater in the recommendation agent condition (58.57%) than in the control condition (42.25%), $(\chi 2\ (1) = 3.75, p = .05)$.

ANOVA further revealed that participants who used a recommendation agent liked the bars significantly less $(M = -1.27)$ than those who did not $(M = .03)$, $(F(1, 139) = 10.2, p < .005)$. Furthermore, among participants who used an agent, liking was significantly lower among those who chose a utilitarian brand $(M = -1.90)$ than among those who chose a hedonic brand $(M = -.38)$, $(F(1, 137) = 9.18, p < .005)$, whereas among participants who did not use an agent, liking did not differ significantly between those who chose a utilitarian versus hedonic brand $(-.27$ vs. $.24)$, $(F(1, 137) = 1.05, NS)$. These findings are consistent with our prediction that participants who used a recommendation agent would be less satisfied with their choices, particularly when they chose a utilitarian brand.

We obtained the same significant pattern of results for measures of taste perception. This finding is important since it shows that the choice dissatisfaction generated by use of a recommendation agent negatively influenced participants' sensory perceptions. We also obtained the same significant pattern of results for purchase intentions and willingness to recommend.

Many retailers (e.g., Amazon.com, Nike.com) provide optional electronic recommendation agents to help their customers select products. Additionally, many advice websites that do not sell products provide electronic recommendation agents to assist consumers before they continue to retail sites to make purchases. Our results give managers a word of caution. We have shown that use of an electronic recommendation agent can negatively influence consumers' long-term choice satisfaction, sensory experiences, purchase intentions, and likelihood of recommending a product to a friend. Thus, including a product in an electronic recommendation agent can in some cases be highly unproductive. In particular, our results suggest that marketers who manage

relatively utilitarian brands within product categories in which both relatively utilitarian and relatively hedonic brands are established should be especially cautious.

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# The Effect of Semantic Congruence between Color and Music on Product Evaluation

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## ABSTRACT

In this study, we document the amplifying effect of multisensory semantic congruence between color and music. In the context of e-book site and cosmetic store environment evaluation, the semantic association between color and music led to more favorable brand attitudes.

**Key words:** Multisensory, Color, Music, Fluency, Cognitive Flexibility

Recently, sensory marketing is gaining increased interest as a new way of connecting brands to customers (Gobe 2009, Krishna 2010, Peck and Childers 2008). A paucity of studies in the area focus on investigating the interplays between senses (Hoegg and Alba 2007, Krishna, Elder, and Caldara 2010) rather than the effects of single sense in isolation (Krishna, Lwin, and Morrin 2010, Peck and Shu 2009, Meyers-Levy and Zhu 2010). Consumers naturally process information utilizing all the senses in unison (Krishna 2010, Elder and Krishna 2010). The multi-sensory nature of perception leads to an important research agenda of investigating the impacts of synergies and interferences between the senses on brand evaluations and preferences (Hoegg and Alba 2007). For example, when visual and auditory stimuli compete for attention, consumers' attention could be divided in between so the senses function as interference (Bonnel and Hafter 1998). In contrast, semantic congruence between smell and touched could create synergy and leads to more positive evaluations of product (Krishna, Elder, and Caldara 2010).

The sensory research that examined each sense in isolation has shown that color affects brand evaluation (Deng, Hui, and Hutchinson 2010, Gorn et al. 2004) so does music (Zhu and Meyers-Levy 2005, Meyers-Levy and Zhu 2010). In this study, we document the magnifying effect of multisensory semantic congruence between color and music. We manipulate one or all the three dimensions of color (hue, chroma, and value) and of music (tempo, tonality, and texture) to create specific semantic meanings and show that when the two senses align on the dimension of a particular semantic meaning

they enhance brand evaluation. In the context of e-book purchase experience, the semantic association of relaxation between the blue (vs. yellow) color and slow (vs. fast) music shortens the perceived download time which leads to more favorable attitudes toward the website (Study 1). In a store environment setting, the semantic association of alluring vs. neat brand personality between brand, color (Kobayashi 1990) and music (Radocy 2003) enhances brand attitude (Study 2). Processing fluency mediates the effect of congruence between color and music.

In study 1, we examined how consumer's time perception is affected by the integrated effect of color and music. 250 undergraduates were asked to review an e-book site and provide their opinion on it. We manipulated tempo of music and hue of color to induce the feeling of relaxation. Adapted from Gorn et al. (2004), the participants were introduced to a front page of an e-book site and asked to click a featured e-book, followed by a full screen of the assigned color and music and the word "Downloading…" and the downloading screen was remained on for 17.5 seconds before the book information popped up on the next page. Following the literature, we used blue 240 (vs. yellow 60) color with the same chroma and value levels of 100% extracted from the HSB model. The background music featured Bach's *Jesu, Joy of Man's Desiring* was played at a slow (vs. fast) tempo of 130% (vs. 70%) speed of original music to elicit more (vs. less) relaxed feelings (Gorn et al. 2004, Mehta and Zhu 2009). At last, participants responded to the dependent measures of the feelings of relaxation (1 = not at all ~ 9 = very much so: relaxed, calm, peaceful, uneasy, tense, and anxious), perceived download time (1 = slow, not speedy, not quick ~ 9 = fast, speedy, quick), attitudes (1 = negative, dislike, bad, unfavorable, unattractive, unpleasant ~ 7 = positive, like, good, favorable, attractive, pleasant), and recommendation intention (1 = very unlikey~7 = very likely) toward the website.

A 2 (color: blue vs. yellow) × 2 (music: slow vs. fast) between-subjects ANOVA revealed a significant interaction effect of color and music on the perceived download time $F(1, 246)=18.84$, $p <.001$, $M_{blue,slow} = 6.86$, $M_{blue,fast}=3.59$, $M_{yellow,slow} = 5.14$,

$M_{yellow,fast}$=3.96), attitudes (F(1, 246)=9.60, p =.002, $M_{blue,slow}$ = 5.00, $M_{blue,fast}$=3.73, $M_{yellow,slow}$ = 4.25, $M_{yellow,fast}$=3.79), and recommendation intention (F(1, 246)=13.34, p <.001, $M_{blue,slow}$ = 5.88, $M_{blue,fast}$=3.60, $M_{yellow,slow}$ = 4.66, $M_{yellow,fast}$=3.80) toward the website. Follow-up contrasts revealed that when the slow music was presented with blue color the participants felt more relaxed, thought the download speed was faster, and revealed more favorable attitudes and recommendation intention toward the e-book site than when it was presented with yellow color. A 2way ANOVA also yielded a significant color × music interaction effect on feelings of relaxation (F(1, 246)=9.86, p =.002) and processing fluency (1= difficult to understand, unclear to understand, a lot of effort to understand ~ 9 = easy to understand, clear to understand, not a lot of effort to understand; F(1, 247)=7.03, p <.01, $M_{blue,slow}$ = 5.16, $M_{blue,fast}$=3.33, $M_{yellow,slow}$ = 4.55, $M_{yellow,fast}$=4.40).

A series of regression analyses showed that (1) color × music interaction was significant for processing fluency ($\beta$ = .304, $p$<.001); (2) processing fluency on perceived download time was significant ($\beta$ = .349, $p$<.001); and (3) the originally significant direct effect of color × music interaction on perceived download time ($\beta$ = .483, $p$<.001) was still significant, but the effect size became smaller ($\beta$ = .415, $p$<.001) after processing fluency was included ($\beta$ = .223, $p$<.001). The same results emerged for attitudes and recommendation intention. The bootstrap procedure for indirect effects in multiple mediator models(Preacher and Hayes 2008) confirmed that the influence of color × music interaction led to enhanced feelings of relaxation, and then to processing fluency, and, as a result, to less perceived download time, more favorable attitudes, and more positive recommendation intention.

Study 2 replicates the results of Study 1 and also extends them by examining the synergic effect of three way semantic congruency between brand image, color and music. In addition, we test the effect of color combination (Deng, Hui, and Hutchinson 2010) using multiple color pairs instead of a single color in this study. 477 undergraduates were randomly assigned to evaluate a 3D video clip displaying a store environment newly launched by a cosmetics brand. A pretest chose two contrasting real brands with a distinct brand image of "alluring" vs. "neat." The three color combinations for the semantic meanings of alluring and neat were picked from color image scale using RGB model (Kobayashi 1990).

The same background music as Study 1 (Bach's *Jesu, Joy of Man's Desiring*) was professionally recorded by varying playing techniques of guitar to manipulate brand personality expressed by the adjective descriptors of alluring and neat. After being exposed to the stimuli, the participants evaluated the store environment (1 = negative, dislike, bad, unfavorable ~ 7 = positive, like, good, favorable).

A 2 (brand: alluring vs. neat) × 2 (music: alluring vs. neat) × 2 (color: alluring vs. neat) between-subjects ANOVA yielded a significant brand × music × color interaction on attitude toward the store (*F*(1, 470)=7.35, $p$ = .007, $M_{alluring,alluring,alluring}$= 4.44, $M_{alluring,alluring,neat}$ = 2.66, $M_{alluring,neat,alluring}$= 3.28, $M_{alluring,neat,neat}$ = 4.14, $M_{neat,alluring,alluring}$= 3.53, $M_{neat,alluring,neat}$= 3.61, $M_{neat,neat,alluring}$= 3.04, $M_{neat,neat,neat}$ = 4.70). As hypothesized, a regression analysis yielded a significant 4-way interaction effect of cognitive flexibility × brand × music × color showing that cognitive flexibility moderated the effect ($\beta$ = 1.991, $p$<.001). Follow-up contrasts revealed that the brand × music × color interaction has a significant effect on attitudes for the participants with high cognitive flexibility ($\beta_{low}$ = .178, $p$=.07 vs. $\beta_{high}$ = .567, $p$<.001). Cognitive flexibility × brand × music × color interaction was also significant on processing fluency ($\beta$ = 1.259, $p$=.076) and planned contrasts revealed that brand × music × color interaction on fluency was significant only for the participants with high cognitive flexibility ($\beta_{low}$ = .024, $p$>.1 vs. $\beta_{high}$ = .333, $p$=.053).

A series of regression revealed that the effect of the 4 way interaction was fully explained by the mediating role of processing fluency. High level of semantic congruence combined with high cognitive flexibility led to higher fluency ($\beta$ = .131, $p$<.01); Processing fluency had a positive effect on attitudes ($\beta$ = .480, $p$<.001). The significant direct effect of the 4 way interaction on attitudes ($\beta$ = .225, $p$<.001) was still significant but the size of the impact became smaller ($\beta$ = .165, $p$<.001) after fluency was included in the model ($\beta$ = .458, $p$<.001). The bootstrap procedure for indirect effects confirmed that the congruent semantic meaning to processing fluency mediated the effect of brand, color, music interaction on attitude toward the store environment. A mediated moderation analysis (Muller, Judd, and Yzerbyt 2005) showed a significant moderating effect of the participants' cognitive flexibility.

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# Political Marketing Redefined: Exploring the Consequences of Stakeholders on the Marketing Mix and Political Consumption

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## ABSTRACT

Recent political campaigns support the notion that a new political marketing mix has emerged, one which has adapted political and marketing theory to political consumers who are also stakeholders in the political marketing process. This paper will explore how stakeholder affects consumers and consumption of political products.

Political Marketing Redefined: exploring the consequences of stakeholders on the marketing mix and political consumption

Politics is a business of ideas, and marketing should not consider itself a neutral participant when it has the opportunity to influence broader societal outcomes through the mechanisms of how it engages and influences the political process. Part of this process is the role of stakeholders in political marketing, something that even Alderson (1965) considered as being important in understanding how the relationship between marketing and public policy influences marketing systems and dynamics (Alderson, 1965: 372). Yet it was partly because of political parties identifying stakeholders as customers and then trying to meet their needs that identified that politics and the consumption of policy, brand and leader that researchers such as Kotler (1972) started to take an interest in the consumption of politics.

Over time though as political marketing became a hybrid of marketing and political theory, the relative instability of core commercial marketing theory within political campaigns lead political parties to apply a marketing mix that could lead them to electoral success that could be used by all aspects of the organisation to satisfy the needs and wants of the political consumer and the political organisation.

This new marketing mix is based on the variables contained in the 2007 American Marketing Association definition of marketing: that is "…the ability to create, communicate, deliver and exchange offerings that have value for customers, clients, partners and society at large". However in political marketing stakeholder influence is a significant factor on consumers. As stakeholders in political marketing are also consumers, consumption of political products by one set of consumers is influenced by the behaviour of another set of consumers. For example a retail lobby group may want a Wal-Mart store to open in a particular area and lobby local members of political parties to support this idea. Another lobby group representing small businesses in the local area who oppose the Wal-Mart store will also lobby the local members. Finally local consumers will also influence the decision of local members of political parties, leading to a final product offering that needs to satisfy all of the stakeholders and the market.

Whilst some may see this as co-creation of value (Vargo & Lusch 2004) the ethical consequences for society of applying co-creation in political marketing would mean that corruption would be justified as a stakeholder could influence political organisations as part of co-creating value with them.

Society and political consumers would benefit if a marketing mix could be applied and used by political organisations that allowed them to maintain control over the marketing activity and process. As stakeholder influence in political marketing appears to be a transitory process which fluctuates from one election cycle to the next, it is important for a political organisation to have managerial control over the entire creation, communication, delivery and exchange process free from the need to co-create a value offering with stakeholders that may not be seeking to benefit other consumers and society. It is therefore because of stakeholders role in the political process that political marketing to benefit society and consumers needs to use a mix that allows them control of marketing processes and activity's and not one that supports co-creation of value where ethical, social and legal concerns would negatively harm the democratic process.

Political marketing theory has developed and evolved in conjunction with advancements in political science and commercial marketing. Commercial marketing has been increasingly interested in developing marketing mechanisms which allows it to satisfy the core customer groups whilst meeting needs of a wider community of stakeholders through direct and indirect exchange. Political marketing has the opportunity to build on the commercial marketing developments to provide a marketing framework which can deliver value to a core target market (voters, supporters, or donors)

whilst addressing the needs of the indirect market (media, public service) and meeting broader goals of providing benefit to stakeholders (society). The paper outlines a new definition of political marketing to meet the challenges of addressing the needs of the political marketplace, political party stakeholders, and broader social agendas.

## INTRODUCTION

Political marketing is a hybrid sub discipline that draws on the parent disciplines of commercial marketing and political science. As a discipline with two parents, political marketing has the strength of drawing from the two theoretical fields, and the weakness of drawing down from two areas of vulnerability which includes the need to adapt and adjust to changes in either parent discipline, and the need to address the tension between the incompatible elements of political science and political marketing. Whilst political science may still debate the role of marketing in politics, marketing perceives it has an appropriate and acceptable role to play in the electoral process (O'Cass, 2001).

The paper develops a new definition of political marketing which encompasses political marketing theory, practice and tradition with the contemporary AMA (2007) definition of marketing. As a conceptual framework, the paper aims for a global definition that can guide the efforts of political practice in first past the post, preferential, presidential and other political campaign styles by emphasising the approach of striking a balance between the needs of the marketer, marketplace and society. By emphasising the processes of political marketing, such as the voter-orientation balanced against stakeholder needs, rather than the content of political marketing, the definition is intended to be transferable into the specific cultural, economic and political context of different elections and electoral systems(Baines, Scheucher and Plasser, 2001). Further, the adaptation of the definition is following the "marketing-is-different" approach which argues that the applicability of marketing theory and practice in politics is contingent on its adaptation to the political environment (Lock and Harris, 1996; Egan, 1999;Lees-Marshment 2001a; O'Cass 2001a; O'Cass and Julian, 2002; Chen and Chen, 2003; Needham, 2005).

However, as the paper is written from a marketing perspective, it does not address political science concerns over the legitimacy, efficacy or ethicality of using marketing in politics such as those raised by Crot (2006) criticism of marketing as "a wrapper of deceit" on politics, or the further addressing the issues raised by Dean and Croft's (2001) list of political science criticism of marketing. Instead, the paper draws on the marketing discipline's existing acceptance of political marketing (O'Cass, 2001), the recognition of political marketing in the AMA (2007) definition (Keefe, 2008), and reflected in marketing's ongoing acceptance of its capacity to be applied into the political, social and non profit arena (Kotler and Levy, 1969; Lock and Harris, 1996; Dann et al 2007) to propose a definition for political marketing theory and practice.

## DEFINING POLITICAL MARKETING

In 2007, the American Marketing Association issued a revised and updated version of the official definition of marketing, in recognition of the diversity of marketing practice, and the failure of the AMA (2004) definition to fully capture the nuances of contemporary business and non business marketing activity. The new AMA (2007) definition of marketing reads as: the activity, set of institutions and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large.

Keefe (2008) notes that the inclusion of 'clients' specifically relates to the role of social, political and non profit marketing in society, and the growing influence marketing has beyond the traditional commercial spheres of influence. The recasting of the AMA definition of marketing to explicitly recognize the non-commercial marketing activity presents an opportunity to revisit the interplay between commercial derived marketing theory, and application of political marketing. Although discussion of the applicability of the previous definition had been limited (See Hughes and Dann, 2005a and 2005b), Sun (2007) noted that the AMA (2004) definition appeared to encompass political marketing through stakeholder management and exchange theory, although this was never fully tested in the literature.

The new AMA definition of marketing created an opportunity to apply the Lock and Harris (1999) approach of adapting commercial marketing principles before applying them to political marketing practice. To this end, the paper offers an adapted version of the AMA (2007) commercial marketing definition based on the extension of prior definitional

adaption work of Dann and Hughes (2006a and 2006b), the integration of contemporary definitions of political marketing, and the influence of broader political marketing theory and practice outlined below. Political marketing is defined as:

a set of activities, processes or political institutions used by political parties, candidates and individuals to create, communicate, deliver and exchange promises of value between voter-consumers, political party stakeholders and society at large.

The new definition of political marketing groups the recipients of political marketing practice into the clusters of marketers (political parties, candidates and individuals) voter-consumers (customer/client), political party stakeholders (partners/clients) and the society at large.

## CONSTRUCTING THE POLITICAL MARKETING DEFINITION

Definitions of marketing are torn between being a descriptors of current practice, and an aspirant goal for future best practice (Hunt, 2007). Creating a new definition of political marketing is fraught with challenges from the perspective of producing an academically robust concept which is also sufficiently flexible for to proscribe and describe practical implementation issues. Any new definition must also compete with the existing definitions in the market, and present a case for its existence. Although definitions in political marketing are less prolific than social marketing, both sub disciplines have needed to develop a range of different conceptual frameworks over time.

The definition presented in this paper has been developed specifically to adapt the 2007 American Marketing Association marketing definition for political marketing purposes. It is a customized definition, purpose built and designed to be applicable where the AMA (2007) definition is the dominant understanding of commercial marketing. The American Marketing Association (2007) definition of marketing was selected as the core bedrock definition for adaptation for two reasons. First, the recent update in the definition provided a timely opportunity to explore new conceptual ground. Second, a search of the academic journals demonstrates the relative dominance of the American Marketing Association's definitions (1937, 1985, 2004) on commercial and non commercial marketing theory. Consequently, the paper recognizes the American Marketing

Association definition as the dominant contemporary framework that underpins the "marketing" side of the Anglo-European, Asia-Pacific and American political marketing literature reviewed for the paper.

## POLITICAL MARKETING LITERATURE REVIEW

The review of the prior political marketing literature has been divided into the distinct periods of marketing identified in line with AMA definitions of marketing. As prior authors have noted, developments in political marketing are often seen as an American export industry, and as such, the conceptual boundaries of the American definition of marketing has influenced how these exported political marketing practices have been framed in the literature (Baines, Scheucher and Plaser, 2001; Egan, 2005; Ingram and Lees-Marshment, 2002). For the purposes of developing the adaptation of the 2007 definition, the paper will overview the interaction between the prior definitions of commercial marketing, and the political marketing literature through the respective reigns of the American Marketing Association definition of marketing from 1937 to 1985; 1985 to 2004; and, 2004 to 2007 before examining the 2007 definition in light of the political marketing literature.

## AMERICAN MARKETING ASSOCIATION (1937)

The American Marketing Association (1937) defined marketing as "*those business activities involved in the flow of goods and services from production to consumption*", and later subtly refined by AMA Committee on Definitions (1960) as *"the performance of business activities that direct the flow of goods and services from producers to consumers"* (Gundlach, 2007). The development of political marketing consciousness in the political science and marketing literature from Kelley (1956), Kotler and Levy (1969) , Shama (1974, 1976), and O'Leary and Iredale (1976) was against a backdrop of marketing as a directional mechanism. Consequently, Kotler and Levy's (1969) suggestion that political candidates could be marketed as a well as soap, and in a manner not dissimilar to the sales practices of the soap marketers, focused on the movement of party ideology to the voter. The 'directing the flow' approach is reflected in Reid's (1988) observation of political marketing developing as the effective means for communicating its benefits to the market, or, in effect, directing the flow of policy and promise from the party to the voter.

However, it should be noted that in the post-war commercial marketing sphere, rapid developments in marketing theory such as the McCarthy (1960) marketing mix, Bagozzi (1975) exchange theory, and the prolific work of Kotler in expanding the non commercial domain (Kotler and Levy, 1969; Kotler and Zaltman, 1971) were adapted and adopted by the developing political marketing movement. For example, O'Leary and Iredale (1976) discuss the application of the marketing mix for political purposes, and Shama (1976) applied the exchange concept to marketing. The changes in marketing practice away from flow direction and towards exchanges led to the revision of the AMA definition of marketing in 1985.

## POLITICAL MARKETING (1985 TO 2004)

The AMA (1985) definition of marketing as *"the process of planning and executing the conception, pricing, promotion, and distribution of ideas, goods, and services to create exchanges that satisfy individual and organizational objectives"* represented a world view of marketing dominated by the Bagozzi (1975) exchange paradigm, McCarthy's (1960) marketing mix, and a managerial approach of marketing as a planned procedures. Adaptation of the AMA (1985) definition in the political marketing literature of this period was focused around the application of exchange theory; conceptual development of the political marketing product, and debate over the extent to which managerial marketing could integrate with the ideology focus of the political party. Political marketing theory had been an early adopter of the Bagozzi exchange paradigm with O'Leary and Iredale's (1976) exploration of its application to a bi-directional benefit flow of benefits for votes and votes for electoral outcomes. This was followed with an extended exploration of the nature of the political marketing exchange where promises of future policy or government activity are traded for voting behaviour (Lock and Harris, 1996; O'Cass 1996a, 1996b; Kotler and Kotler, 1999; Newman, 1999; O'Shaughnessy, 2001; Henneberg, 2004).

Supplementing the exploration of the exchange were the efforts to apply the AMA (1985) conceptual parameters of product as "ideas goods and services". Whilst Clemente (1992) integrated elements of the AMA (1985) in viewing political marketing as involving ideas and opinions which relate to public or political issues, they also drew on the growing social marketing literature to add a behavioural orientation by specifying the purpose

of political marketing as influencing people's votes in elections. The post-1985 definition saw services marketing develop into a distinct sub-discipline of marketing thought, evolving from its origins in the 1935 definition to developing its own frameworks which were variously adapted and applied into political marketing. Harrop (1990) to outline a view of political marketing a form of services marketing in which the political marketer was no different to any other services marketer who was promise intangible benefits from a future service. Harrop's (1990) viewed the central value offering from the political party consisted of the projected belief that it had the capacity to govern for the benefit of the voter and the broader society which was effectively a mix of ideas and services. This position is supported by Bauer et al (1996) view of the political party as a service provider to both voter and party member, and Morland (2003) regarding the "service for hire" symbolism of the political marketing campaign promises.

The managerial aspect of the AMA (1985) definition was addressed by O'Cass (1996a, 1996b) emphasising the importance of design, implementation, and control as keys to the political marketing process, and supported by Lock and Harris's (1996) understanding of the activities of the political marketer as being a strategic approach of utilising marketing techniques of positioning, communication, research and market orientation. Other authors such as Niffenegger (1988), Egan (1999) Baines et al (2003), Jackson (2003) Chen and Chen (2003) and Rommele (2003) supported the application of the marketing mix in political marketing theory and practice. Newman (1999) approached political marketing as a holistic approach of applying marketing principles and procedures to political campaigning, with O'Shaughnessy (2001) and Lees-Marshment (2001) emphasising the managerial aspects of adapting of business concepts, strategy, tactics, structures, labels and techniques to explain the process of exchange between voter and political party.

Finally, the political marketing discipline's application of developing commercial marketing thought puts it ahead of the curve with the rise of the Nordic School of relationship marketing being introduced into relatively quickly into the Australian and European political marketing literature. Gronroos (1990) defined political marketing as a form of relationship marketing where by the political party was as seeking to establish, maintain and enhance

long term voter relationships at a profit for society and political parties so that the objectives of the individual political actors and organisations involved are met. O'Cass also integrated Gronroos (1994) relationship marketing concepts into political marketing purpose as the mechanism to create, build and maintain beneficial exchange relationships between the political marketer and political marketplace. Dean and Croft (2001) and Lees-Marshment (2001a) also introduced relationship management alongside Needham's (2005) mapping of relationship marketing onto Newman's (1999) permanent campaign process.

## POLITICAL MARKETING (2004 TO 2007)

In 2004, the AMA released a relatively controversial new version of the commercial marketing definition which recast the discipline as: *an organizational function and a set of processes for creating, communicating and delivering value to customers and for managing customer relationships in ways that benefit the organization and its stakeholders* The decision by the AMA to release a new version of marketing in 2004 resulted in the need to re-examine how political marketing integrated the new understanding of commercial marketing. The changes between 1985 and 2004 had several impacts on the way marketing was to be considered which included removing exchange as the core of marketing which are discussed in depth elsewhere – see Dann (2005) Hughes and Dann, (2006b) and Dann, (2008). As exchange underpinned much of political marketing between 1985 and 2004, this led to the need for a revised definition of marketing that incorporated the new approach of value creation, organisational benefit and benefit to the organisation's stakeholders. Hughes and Dann (2006b) outlined a revised definition of political marketing as "a set of processes for creating, communicating and delivering promises of value to voters and for managing voter relationships in ways that benefit the political organization and its stakeholders". Further, they defined "promises of value" as political products which included explicit promises of policy, political candidates and implicit promises of the party's ability to govern. (Harrop, 1990; Newman 1999; Kotler and Kotler 1999; O'Shaughnessy 2001; and Lees-Marshment, 2001, Hughes and Dann, 2006a; Hughes and Dann, 2006b). Similarly, they constrained the definition of "benefit for the political organization" to fit existing exchanges of value in the political marketing literature which include votes, financial support and donations of time,

effort and loyalty (Gronroos, 1990; Scammell 1996; O'Cass 1996a; O'Cass 1996b; Newman 1999; Lees-Marshment, 2001; O'Cass, 2001b; O'Shaughnessy, 2001; Baines, Harris and Lewis, 2002; Newman 2002; Hughes and Dann, 2006a; Hughes and Dann, 2006b; Hughes, 2007). Although stakeholder theory became an issue for marketing with the 2004 definition, limited opportunity existed to examine how this influenced political marketing practice (Hughes and Dann, 2006a) before the American Marketing Association released a further revision of the definition in 2007.

## ADAPTATION OF AMA (2007) FOR POLITICAL MARKETING (2007 - ?)

The development of a new definition of commercial marketing represents an opportunity to expand the political marketing portfolio to incorporate the new developments in the marketing parent discipline (Lock and Harris, 1996; Henneberg, 2004). The following section examines the AMA (2007) definition in four component categories: "Activity, set of institutions and processes" "Creating, communicating delivering and exchanging" "Offerings that have value" and "Customers, clients, partners and society at large"

## POLITICAL MARKETING AS "THE ACTIVITY, SET OF INSTITUTIONS AND PROCESSES"

Political marketing as a set of processes is directly supported by Clemente (1992), O'Cass (1996a, 1996b), Lock and Harris (1996), Newman (1999) and Lees-Marshment. Overall, the majority of political marketing definitions either implicitly or explicitly recognize marketing as a set of processes (Wring, 1994; Wring 1997; O'Shaugnessy, 2001, Butler and Collins, 1996; Baines, Harris and Lewis 2002, O'Cass, 2001b; Baines et al, 2003; Egan, 2005). In addition to the broad support for the principle of political marketing, Lees-Marshment (2001) presents the Comprehensive Political Marketing framework as a multi-stage marketing process for a market-orientated political party. The CPM approach provides an existing theoretical framework for the adaptation this element of the commercial marketing definition in the political campaign arena. Further, the Ormod (2006) and Ormod et al (2007) political market orientation model also recognizing the institutions, processes and activities of marketing.

## CREATING, COMMUNICATING DELIVERING AND EXCHANGING OFFERINGS OF VALUE

The creation, communication and deliver of value can be aligned to the use of the marketing toolkit in the process of product development, marketing communications, and distribution (Hughes and Dann, 2006b; Dann, 2005). The creation, communication, delivery and exchange of these offers between marketer and marketplace is based on what the consumer believes they will gain from the transaction (hope, optimism, belief in ideology) being traded for benefit (vote, loyalty, and donations) (Baines, Harris and Lewis, 2002, O'Cass, 2001b; Scammell, 1996, O'Shaughnessy, 2001). Although Lock and Harris (1996) predate the AMA (2007) by a decade, their approach of focusing on the voter-consumer's interpretation of the whole of the political campaign as the means of product creation ties closely into the value creation, communication, delivery and exchange paradigm.

Political marketing exchange is a recognized element of the practical political marketing process in campaign volunteering, voting, campaign donations and active partisan support for an issue or organization (Clinton, 2002, Stone and Rosen, 2006; Smith, 2006; Rosen and Ward, 2005). Support for exchange as a central platform of the political marketing has been discussed previously (Lock and Harris, 1996; O'Cass 1996a, 1996b; Kotler and Kotler, 1999; Newman, 1999; O'Shaughnessy, 2001; Henneberg, 2004) and this field of study regains its relevance and importance in light of the revised 2007 definition.

## OFFERINGS THAT HAVE VALUE

The nature of the political product as the exchange of an abstract product containing a combination of promise, potential and past track record with product characteristics such as the image of the politician or political party is well suited to the AMA (2007) "offerings that have value". Offerings of value exist in political marketing as promises of value as between the political party and the target market as the abstract and intangible political product consisting of future promises and projected belief in the ability to govern based on the policy, leadership, candidate, party and prior track record (Hughes and Dann, 2006a). Similarly, O'Shaughnessy (2001), Harrop (1990), Gronroos (1990), Newman (1999), Kotler and Kotler (1999), O'Shaughnessy (2001) and Lees-Marshment

(2001) support the notion of the political product as an intangible, abstract offering that has value for the voter and the broader society. Although, Egan (2005) points out that exchange is often difficult to achieve where the party fails to win.

Within the political marketing process, marketing communications also provide a social information framework to assist the consumer in their self identification with the political brand. Political marketing communications are faced with a similar competitive situation for consumer attention, as well as competing counter messages and rebuttals (Jackson, 2003). Consequently, the messages must create value for the voter-consumer to achieve cut through in the crowded media marketplace, which can be achieve through either information exchange between marketer and consumer (Andreasen, 1995, Kotler Roberto and Lee, 2002; Andreasen 2006; Chen and Chen, 2003; Jackson, 2003; Henneburg, 2006; Sanders and Norris, 2005), or the development of a strong brand, and the social messages from the brand association (Bauer et al, 1996; Hughes, 2003; Hughes, 2004; O'Cass, 2001; Chen and Chen, 2003; Egan, 2005; Heffernan, 2003; Ingram and Lees-Marshment, 2002; O'Shaughnessy and Henneberg, 2007; Scammel, 2007; Dann and Hughes, 2008), and even negative campaigning may present value for those oppose the person being discredited (Bissell, 1994; Hughes, 2003; Dean, 2005; Sanders and Norris, 2005; O'Shaughnessy and Henneberg, 2007).

Other aspects of idea product distribution previously regarded as promotional mix elements can be incorporated into the value offering process such as publication of propaganda, political statements and "talking points" which assist the individual voter in persuading others to support their position can deliver "offerings that have value" to a political blogger seeking content to republish to their readership (McMillan, 2006) or the online activist (Rosen and Ward, 2005). Political websites such as the personally branded Kevin07.com.au, TeamBeattie. com (Hughes and Dann, 2004a), announcement sites (Ireland and Nash, 2002) celebrity endorsement of political parties (Hughes and Dann, 2004b) and even Facebook and MySpace profiles that can be 'friended' by supporters can create offerings of value for the political consumer by acting as affiliation points for the consumer seeking reassurance that their political position is supported by other community members both on and offline (Blanchfield, 2006; Dann and Hughes, 2008).

The combination of exchange and "offerings that have value" incorporate the customer co-creation process, dialogue based marketing, permission marketing and customer engagement in marketing process in the product development and marketing communications phases. Co-creation of value through either services or embedded services has been a hallmark of the service dominant logic (Vargo and Lusch, 2004) whereby the value is created through the customer's use of a product or service. The AMA (2007) definition builds on the co-creation platform by recognising inter-customer exchange as a means of creation, communication and delivery of value which can be utilised by social marketing for developing community driven solution, social norms, cultural and symbolic meanings for brands, and the interpretation of social marketing messages into ideas, values and beliefs. From a political marketing perspective, co-creation has had limited development beyond Granik's (2005a) customer co-creation of value in political marketing parties and Scammel (2007) discussion of co-created political branding.

## CUSTOMERS, CLIENTS, PARTNERS AND SOCIETY AT LARGE

The AMA (2007) definition radically expands the AMA (2004) parameters of "customer" and "stakeholder" by specifying four target groups who are the recipients of the outcomes of the marketing process. Customers are the recipients of direct value from the political process in exchange for their time, effort, votes or cash which includes voters, active party supporters, and current party members (Ormod et al 2007). Clients as those people who are the indirect beneficiaries of a policy or government action even if they did not vote for the political party. Partners are the active participants in the political marketing process which covers the suppliers and distributors of the political marketing product and may include the media and other parties within the political playing field. As political products are produced for the open market, they are consumed by the client/customer target market (potential voters, actual voters), and the partner market (opposing political parties, opposing voters, media and related groups) (Hughes and Dann, 2005b). Finally, society at large represents the whole of the community as a stakeholder in the political process (Dean and Croft, 2001; Ormod et al 2007). Whilst individual stakeholder clusters can be addressed through segmentation strategies, Egan (2005) and Baines et al (2003) emphasis the difference between commercial and political marketing in that end result of successful political marketing is the need to address the needs of all stakeholders whilst in office.

## ASSESSING STAKEHOLDERS IN POLITICAL MARKETING

Seventeen types of stakeholders have been identified from the broader commercial, political and social marketing literature through the use of Scholem and Stewart (2002)'s stakeholder mapping process. These groups have been clustered by the three targets of the political marketing process (voter, stakeholder and society), along with an assessment of their source of influence and type of stakeholder behaviour. These stakeholder categories have been categorised by their alignment with the AMA (2007) recipients of marketing offerings of value, an expanded Dann and Dann (2007) identified stakeholder as passive, active or "switch" depending on whether they influenced (active), were influenced (passive) or could perform either role in their interactions with the organisation (Table 2)

regarded as the extent to which the stakeholder can assert their will over the political party through formal authority, administration of reward and punishments, personal power, politicised power and the convergence of opportunities, shared interest or acts of co-option (Maignan, Ferrell and Ferrell, 2005; Yukl, 1998 in Bourne and Walker, 2005; Greene and Elfrers, 1999) Legitimacy is the appropriateness of the stakeholder's actions towards the party, based on their association with the party as a voter, candidate, traditional support base or other affiliation (Mitchell, Agle and Wood, 1997)

## USING THE STAKEHOLDER AS A BASIS FOR ETHICAL POLITICAL MARKETING

Minimizing unintended stakeholder impact from political marketing activity has been an underemphasized aspect of the implementation of most political campaigns. Overpromising undeliverable products damages the political party brand (e.g. broken promises of low interest rates, undelivered tax reforms) and the overall reputation of the political product. Increased voter distrust of politicians increases the complexity of the task facing political marketers - one future development for political marketing is to improve the perceived product quality of the politician and political party in the marketplace.

Table 1: Political Marketing stakeholders

| Stakeholder | Target group | Type | Source of influence |
|---|---|---|---|
| Alternative Political Providers | Party stakeholders | Switch | Legitimacy or Urgency |
| Electoral commission | society | Active | Power and Legitimacy/Urgency |
| Government (parliament) | society | Passive | Power and Legitimacy |
| Government (public service) | society | Passive | Legitimacy |
| Industry Lobby Groups | Party stakeholders | Active | Legitimacy / Urgency plus varying Power |
| Issue Competitors | Party stakeholders | Switch | Power or Legitimacy or Urgency |
| Media | society | Active | Power and Urgency and/or Legitimacy |
| Party Donors | Party stakeholder | Active | Power / Legitimacy |
| Party members and supporters | Party stakeholder | Active | Power and Legitimacy |
| Political candidates | Party stakeholders | Active | Legitimacy and Urgency and/or Power |
| Political opponents | Party stakeholder | Active | Urgency |
| Private lobbyists | Party stakeholders | Active | Legitimacy and varying Power and Urgency |
| Social pressure lobby groups | Party stakeholders | Switch | Varying levels of Legitimacy and / or Urgency and / or Power |
| Society / citizens / community | society | Passive | Legitimacy |
| Splinter Interest Groups | society | Switch | Power / Urgency |
| Voters (between elections) | Voter-consumer | Switch | Legitimacy |
| Voters (election time) | Voter-consumer | Switch | Power and/or Urgency and/or Legitimacy |

(Derived from Hughes and Dann, 2006a)

Sources of influence is based on Mitchell, Agle and Wood (1997) model for determining the relative importance of stakeholders. Urgency is the immediacy with which the organisation feels it has to act to resolve the stakeholder's issue, and operates as a multiplier effect on the influence of the stakeholder's claim (Neville et al 2003;Agle, Mitchell and Sonnenfeld, 1999). The function of the stakeholder has the greatest impact on the level of dependence, which in turn influenced the urgency, which creates the stakeholder's organisational power. Power is

Similarly, although negative campaigning has been a staple of the political marketing portfolio, it must now be viewed in terms of the impact on the society and political party stakeholder (Bissell, 1994; Hughes, 2003). The after effect of the use of fear campaigns to polarize an electorate or to marginalize a social group falls within the intended and unintended consequences of a political marketing campaign. Deliberately and willingly targeting a political product or message to marginalize a group (e.g. asylum seekers, unions) has an intentional consequence of damaging this group's reputation in the community in exchange for some form of political

gain. Political marketers also need to consider the consequences of normalizing targeted discrimination and negative campaigning against a social group in the broader context of society. Increased levels of negative campaign, divisionary fear tactics and outright attacks on the personal character of members of social groups allow similar techniques to be used to foster racism, gender discrimination and bullying tactics under the guise of political speech. Where the original campaign may have run with the intention of gaining votes and supporters, it has the consequence of perpetuating damaging behaviors in the broader social system by normalizing unacceptable practices of targeted fear and marginalization campaigns.

## CONCLUSION

Marketing has established and accepted a role and responsibility in the political process, and the time has come to recognize that three decades of contemporary academic research later, the question is one of the role that is being played, and not if a role is to be played in politics at all. This paper contributes to the development of the political marketing literature by adapting the American Marketing Association definition of marketing for use in the political marketing context, and by supplementing the conceptual groundwork of the definition with a discussion of the implementation of the definition through the SIVA political marketing mix.

Political marketing has involved the targeted offers of value to voters in exchange for votes, for the benefit of broader societal stakeholders, as core party of its engagement in the political process. Whilst party political product offerings are designed to meet the needs of key target markets, the political process and the act of government is also one of meeting broader stakeholder needs of society. To this end, the modern political marketing campaign must be examined in light of both contemporary marketing understanding, and the importance of tempering targeted niche based political offerings of value against the broader societal needs of good government, political representation and societal benefit.

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# Taming the Technological Beast: Effect of Corporate Response Strategies to Product Dissatisfaction Related Popular Anti-brand Websites on Brand Evaluation

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We study the effect of depth and valence of web corporate response strategies for dissatisfaction related online anti-branding activities on brand evaluation. We extend anti-branding literature by investigating type of anti-branding, disclosure, intimacy on brand evaluation. In post-postmodern branding paradigm, our study equips managers with appropriate corporate response to online anti-branding.

## EXTENDED ABSTRACT

Introduction and Motivation for the Study

"*Becoming the voice of a generation was never the agenda. Neither was toppling governments or inciting riots. But technological beasts are impossible to tame.*" (Poduwal & Jaiswal, 2011)

"The new consumer sovereignty rejects any company (and increasingly, any state agency or voluntary organization) that fails to give prospective clients exactly what they want" (Shipman, 2001 p.332). Internet has been the prime driver of this sovereignty that has transferred power traditionally held by producers/seller to buyers (Rezabaksh et al., 2006; Constantinides 2008). To add to this change in power dynamics the rate of adoption of internet has exceeded most mass communications technologies making it almost indispensible for the modern consumer (Hoffman et al., 2004). Emerging economies also have seen the rise of the new consumer sovereignty with Brazil, China, India, Russia, and South Korea featuring in the world's top ten social networking markets (Comscore, 2010). Internet and social media along with factors such as information transparency and control over transaction process (Constantinides 2008), have provided consumers a forum to vent their anger towards corporations resulting in online negative word of mouth (NWOM) (Bailey, 2004). Previous imbalance between consumer Exit and Voice (see Hirschman, 1970), leaning towards exit, has been shifted towards consumer voice due to internet (Kucuk, 2008) resulting in greater online complaining or "service bashing" (Stauss 1997). This anti-brand consumption is quite often community oriented (Krishnamurthy & Kucuk, 2009) where sharing online NWOM requires

a simple click on "Like", "Tweet" or "Recommend" button by the consumer (Fournier & Avery, 2011). In anti-brand communities, consumers often take on the role of social activists to oppose corporate dominion or express dissatisfaction (Hollenbeck & Zinkham, 2006). Web 2.0 has empowered the consumer to voice complaints with reduced physical and psychological costs combined with greater visibility and organization facilitated through the social nature of these technologies (Hong & Lee, 2005; Noort & Willemsen, 2011). The shift in power driven by consumer's brand directive can steer brands dangerously off-track (Fournier & Avery, 2011) and thus require effective response strategies by brand managers. To avoid problems associated with anti-brand consumption, businesses are actively tracking the activities on social networking sites such as Facebook and Twitter (Needleman, 2011). Although it may be impossible to stop online anti-brand consumption, corporations can deal with disgruntled consumers through pro-active webcare strategies (Noort & Willemsen, 2011). Webcare has been defined as "the act of engaging in online interactions with (complaining) consumers, by actively searching the web to address consumer feedback" (Noort & Willemsen, 2011, p.3). As a response to anti-brand communities, webcare presents a solution-platform for marketers. Recent research in this area mainly focuses on classifying anti-brand consumption and study changes in power due to internet (Hollenbeck & Zinkham, 2006; Kucuk, 2008; Kucuk, 2010; Fournier & Avery, 2011).

Research in the area of online corporate response to anti-brand activities has been very limited apart from a few recent studies (e.g. Noort & Willemsen, 2011). Also, research has shown in a phenomenon termed a negative double jeopardy (NDJ) that stronger brands are subject to greater online anti-brand activity (Kucuk, 2008; 2010). Research through netnographic methods (Kozinets, 2010) has shown that spectators to anti-brand activity join the crowd. We take this work forward by investigating the impact of corporate responses on product dissatisfaction related online anti-brand

websites.

## CONCEPTUAL FRAMEWORK AND HYPOTHESIS

We develop our corporate response strategy framework based on the disclosure by brands to online anti-brand activity. Self-Disclosure has been defined as any message communicated by a person about self (Cozby, 1972; Wheeless & Grotz, 1976). It is an act of revealing intimate information about one-self that is high risk to an individual (Moon, 2000; Altman & Taylor, 1973). As defined by Sidney Jourard (1971), it refers to the process of telling another person about oneself, honestly sharing thoughts and feelings that may be very personal and private. Two dimensions of disclosure used in our study are the depth of disclosure and the valence of disclosure (see Moon, 2000). A brand may choose to respond to an anti-brand website positively or negatively depending on the claim made website. It can also reveal information relevant to the claim (depth of disclosure) made by the website. Based on these dimensions a brand has four strategies to choose from to an online anti-brand website (See figure 1). An allied stack strategy is when the target organization responds to the online anti-brand website negatively by backing their response through greater disclosure about the claim. In a dialogue strategy the target organization accepts the claim on the website, while disclosing more. Attack and accept strategies are plain rejection of the claim or acceptance respectively.

positive by spectators to online anti-branding. Hence, H1: High depth response to an online anti-brand website should lead to a greater brand evaluation than low depth response

Valence of disclosure about the anti-brand activity is purely on the basis of the issue. Research has shown that opportunists and complainers are sources of anti-brand websites (Kucuk, 2008). While the websites started by opportunists don't sustain for a long time, those started by the complainers exist till the target organization does not respond (Kucuk, 2010). There should be no difference between the valences of response since the response by a brand will depend on whether it is an exaggerated claim, a rumour or a genuine complaint. There is little research that studies the impact of valence of corporate disclosure on brands. Thus we would like to check through our study whether the valence of disclosure has an impact on the brand evaluation by the consumer.

RQ1: Does the valence of corporate disclosure impact brand evaluation.

## METHODOLOGY

On the basis of a previously used methodology from studying online webcare (Noort & Willemsen) we created a hypothetical anti-brand website against a global telecommunication brand and created four different response webpages by the brand to this anti-brand website. A full factorial design was used for the study.



Figure 1: Corporate response strategies to online anti-brand websites on the dimensions of depth and valence of disclosure

It has been suggested by many scholars over the last four decades that self-disclosure leads to liking towards individuals (Jourard, 1971; Cozby, 1972). Conceptualizing brand as a social actor we suggest brands that disclose more about themselves in response to anti-brand activities will be evaluated

Respondents were shown the anti-brand website and were told that the brand in question is a global telecommunications brand. They were then asked to evaluate the brand. They were subsequently shown the corporate response website and were again asked to evaluate the brand based on the response of the brand. Manipulation checks were done by asking then to indicate amount of information given by

the brand and valence of information. Pre-validated scales were used to measure brand evaluation (Noort & Willemsen), valence of disclosure (Antheunis et al., 2010) and amount of disclosure (Thorbjørnsen et al., 2002).

## FINDINGS

All the scales used for the study had a high reliability (Cronbach alpha > 0.856). We tested the data using ANOVA. The results are shown in table 1.

*Table 1: Results of a one way ANONA between Brand Evaluation and Response Category (Means and standard error (in parenthesis))*

| After Anti-Brand activity before corporate response | | | | |
|---|---|---|---|---|
| | **Attack** | **Allied Attack** | **Accept** | **Dialogue** |
| Participants | 11 | 10 | 10 | 10 |
| Brand Evaluation | 2.27 (1.227)[c] | 2.68 (0.743)[c] | 2.02 (1.05)[c] | 2.44 (1.13)[c] |
| **After corporate response to Anti-Brand activity** | | | | |
| | **Attack** | **Allied Attack** | **Accept** | **Dialogue** |
| Brand Evaluation | 2.98 (1.255)[b] | 3.76 (1.238)[b] | 2.14 (0.957)[b] | 4.34 (0.718)[b] |
| | **Depth High** | | **Depth Low** | |
| Brand Evaluation | 4.03 (1.04)[a] | | 3.06 (1.08)[a] | |
| | **Valence Positive** | | **Valence Negative** | |
| Brand Evaluation | 3.39 (1.279)[c] | | 3.74 (1.028)[c] | |

[a] $p < 0.01$; [b] $p < 0.05$; [c] p is not significant

We find than before the corporate response there is no significant difference between the mean brand evaluations across categories. After showing different corporate responses to participants, we find that brand evaluation is significantly greater for high depth strategy and valence has no effect on the evaluation of the brand.

## GENERAL DISCUSSION

Our study finds that deeper disclosures about the anti-brand activity by a brand or an institution can lead to better brand evaluation by spectators. Internet has given the users the power of voice and a democratic non-hierarchical platform. Strong global brands are facing the problem of online anti-brand activities. The solution is to respond in a transparent way by indulging in deeper disclosures. In this study we

only product dissatisfaction related online anti-brand activity. It is an exploratory study and we intend to further investigate the role of disclosures for other kinds of anti-brand activity documented by scholars.

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# Buddhism and Consumption in China

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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). Kaza (2010) notes that in a Buddhist world view, consumption undermines the possibility of spiritual liberation, otherwise known as achieving enlightenment. Buddhism inherently recognizes that our thirst for possessions can never be quenched (Kieschnick 2003). To cultivate non-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). Not only does Buddhism advocate non-attachment to possessions, but goes further in discussing self-consumption or self-creation through consumption as an illusion (Gould 2006). Given this anti-materialist stance, in conjunction with Buddhism's increased influence on Chinese society in the past five years (Lim 2010), we investigate how Chinese consumers incorporate their Buddhist beliefs with their increasing materialism (Durvasula and Lysonski 2010). We find that…

## CONCEPTUAL FOUNDATIONS

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). Kaza (2010) summarizes the three primary components of a Buddhist critique of consumption as (1) that consumerism facilitates the formation of false identity, (2) promotes harm to other living beings (typically during the production process), and (3) impels clinging and attachment.

It is widely recognized that historically Buddhism has had 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. China's Buddhist and consumer cultures

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. Durvasula and Lysonski (2010) suggest that as China goes through an unprecedented metamorphosis from centrally planned to market driven and consumer oriented, the Chinese psyche is changing as well, with money as a means toward power and prestige taking on a more important role. Even Buddhist monks are not immune to this focus on materialism, with monks using iPhones and eating fast food (Belk 2011), despite Buddhism forbidding clergy from accumulating wealth or even touching hard currency (Crispin 2003). Indeed, the head monk at the famed Shaolin Temple is reported to have an MBA and own a luxury SUV and other cars. Crispin (2003) suggests that to maintain their status in modern society, which in the past came from their spiritual enlightenment but today comes from outward symbols of rank such as brands, many monks feel like they need to have money and power.

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. Durvasula and Lysonski (2010) suggest that discontent with the prevailing mania for money is driving the search for deeper meaning among the Chinese. 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 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. Some scholars suggest that with the rise of mass consumerism, Buddhism's core message that devotees should shun materialism is losing its resonance (Crispin 2003). How widespread is this interpretation?

## METHOD

This research explores Buddhism and consumption within the wider lens of global consumer culture. In particular, we 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. In essence, Buddhism stresses the fundamental role of desire in promoting an endless cycle of suffering (Kaza 2010), which differs substantially from other religions, and is a belief adhered to throughout Asia. We investigate its manifestation in daily life and its interaction with the predominant consumer culture within China.

We conducted fifteen depth interviews with Chinese consumers, which followed the logic of the extended case method, or ECM (Burawoy 1998). The ECM has become a favored methodology for researching global questions about markets and cultures from an interpretive perspective because it engages with the contexts in which phenomena occur (Holt 2002). We purposively sampled our respondents to have varying degrees of adherence to Buddhist beliefs. Six of our respondents engage with Buddhism as a means to increase their material wealth. Six of our respondents have a deep understanding of Buddhist values and engage with their consumption patterns more critically. Finally, we interview three Buddhist monks. The nature of the semi-structured interviews focused on the nature of the respondent's engagement with Buddhism, their consumption behavior, and their use of material objects in expressing their Buddhism. We supplement the interviews by examining the use of Buddhist statues and amulets in Chinese consumer culture, such as placement in restaurants, and placement amongst other iconographic material objects such as fortune cats and Chairman Mao statues and amulets. Additionally, we will be examining the discourse surrounding Buddhism and consumption within contemporary Chinese culture via a variety of mediums, such as in song lyrics and blog postings. This corpus of data allows us to create thick descriptions (Geertz 1973) of consumption phenomenon, and ultimately contribute to theory in terms of understanding the interaction between spiritual beliefs and consumption.

Our analysis occurred in an iterative fashion, going back and forth between data, and the literature on consumer culture in China and Buddhism. Our research team consists of one insider and one outsider to Chinese culture, and thus triangulation between co-authors lead to novel insights and allowed us to resolve differences in analysis.

## MAJOR FINDINGS

Chinese consumers go to pray for good luck, especially during major holidays such as Chinese New Year. They often have stories of how amulets may protect them from suffering or accidents. Although it is commonly understood that Buddhist teachings direct their attention away from material possessions, it is taken to be a warning against obsessive consumption by many of our informants. Consumers influenced by Buddhism often expressed a sense of aloofness toward brands and focused on utilitarian goods rather than hedonistic experiences. It is considered unnecessary to engage in luxury consumption. It is understood that Buddhist teachings are not against consumption but against obsessive consumption or attachment to

material goods.

Beliefs in Buddhism also cultivate the desire to share. Some consumers find it necessary to share with others what they have and what they can afford, so that beneficence can be accumulated over time. The sharing of material possessions differs from the individualization of consumption that often arises with a rising consumer society, and is similar to communal consumption.

It is also believed the Buddhism may help China to develop into a more harmonious society faced with increased disparity in personal wealth. Our informants also recognize that during this time of transition, there is a lack of strong beliefs, with communism fading, and hence Buddhism may help to cultivate moral activities in society. Buddhist thoughts are not taken to be conflicting with the government's promotion of consumption in society.

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# Women's Lived Consumption Meanings: Uncovering Lifestyle Genres and Dimension of the Caring Self

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## ABSTRACT

This paper investigates nine women consumer's lifestyle through the meanings they give to their everyday consumption experience. The emic approach taken has uncovered nuanced differences in consumer's lifestyle namely; different genres of lifestyle and various dimension of the feminine caring self across similar categories of women consumers.

## EXTENDED ABSTRACT

Generally studies on consumer lifestyle using emic approach have particularly been conducted in the West with very limited studies conducted in the non-Western context. Studies particularly on societies of the Southeast Asia are under researched - studies from this region (with different context such as ethnic composition, economic and social development) are usually tagged on countries such as China, Hong Kong, Taiwan or Japan. These countries are implicitly seen as representative of Eastern consumers (Hashim & Woodruffe-Burton, 2006; Wong, 2007; Woodruffe-Burton & Hashim, 2010). Consequently exploring Malaysian (Malay) women consumers' lifestyle represents an interesting and insightful context to fill this void. This paper draws an emic understanding of culture from the view of contemporary cultural theorists or cognitive cultural theorist (D'Andrade, 1984; Hannerz, 1992; Shore, 1996; Strauss & Quinn, 1997). Cognitive cultural theorists view culture as meaning systems, frameworks, models or schemas that helps people to make sense, interpret and understand the world. This research views consumer's life stories as a cultural model in which consumer's reveal and articulate their everyday consumption experience and meanings to construct lifestyle. Thus cultural frameworks of lifestyle were produced from consumer's emic point of view. By using life stories as a narrative cultural model to gain deeper understandings of lifestyle this study were able to further explicate other significant cultural frameworks/theories that consumers used to described, interpret and make sense of their everyday consumption experience in their construction of meaningful lifestyle.

This paper investigates women consumer's lifestyle through the meanings they give to their everyday consumption experience. Nine women life stories were collected through in-depth phenomenological interviews. This paper extends the theory of lifestyle by elucidating that a more nuanced difference in consumption could indeed be discerned by exploring lifestyle through the cultural meaning consumer give their consumption. Findings demonstrate empirically the existence of various different genres of lifestyle across similar categories of women consumer's (Hands on Lifestyle, Idealistic Lifestyle, Pragmatic Lifestyle, Prudent Lifestyle, Climber Lifestyle, Entrepreneur Lifestyle, Easy Going Lifestyle and Devoted Lifestyle). These various genres of lifestyle reflect each woman's self-identity in relation to their existential concerns and social contexts. Had the 'behaviourist' or 'universalist' model been applied (Holt, 1994; , 1997 ; Thompson & Troester, 2002) these women consumers would be categorized under the same type of lifestyle e.g. the Caring Lifestyle (all these women have the 'caring' value) which abstract away any nuance or subtle meanings that is available across these women's consumption and lifestyle.

Whilst women's lifestyle have been studied widely in the field of sociology, in consumer research much of what we know of women's lifestyle and consumption still rests on the issues of the 'juggling' lifestyle between work and family (Casey & Martens, 2007; Thompson, 1996). This study moves forward this pause in consumer research literature and extends the information we know about women's lifestyle and consumption from two aspects; Apart from **'juggling'** between work and family, women consumer's employed '**weaving**' as a strategy to integrate and connect this two spheres of their life in line with the sociological studies such as (Garey, 1999; Halpern & Murphy, 2005; Hattery, 2001) e.g. in the 'Adapting Family into Lifestyle' snapshot (Riza-Hands on Lifestyle, Siti-Climber Lifestyle, Rima-Entrepreneur Lifestyle and Salmi-Survivor Lifestyle) - these women didn't described their work and family as oppositional instead various ways of consumption was employed in weaving or integrating the two spheres to ensure they achieve a win-win situation.

For these women their participation in employment didn't result in them feeling guilty or having sense of doubt instead they see it as a positive factor and necessary particularly in helping them secure a better standard of living for their children currently and in the future. Secondly besides balancing or juggling work and family, my study illuminates that women's lifestyle can involve balancing other issues such as balancing the worldly/material life with spiritual life e.g in the Settled Lifestyle snapshot (Murni-Easygoing Lifestyle and Bibah-Devoted Lifestyle) - these two women described of being concerned with issues beyond work and family. These women's concerned was on balancing between their worldly affairs and commitment to God which they believed would give them a balanced physical and spiritual health.

This study further contributes to the theory of the gendered self by elucidating more than one dimension of the 'caring self' related to the feminine identity. According to scholars (e.g. Chodorow, 1978; Gilligan, 1982; Stern, 1990) feminine identity revolves on ideals of care which means women emphasized on relationship and connectedness in their self concept. This paper illustrates that various dimension of the 'caring self' exists. First is the '**Conflicting Caring Self'** - in the 'Changing Lifestyle to fit family' snapshot these women expressed overwhelmed and frustration in their process to fulfil competing needs of themselves and the needs of their significant others (e.g. their family, children) thus resulting them to precariously *'balance'* both these needs as shown in their balancing strategies between work and family (their consumption experienced revolves around reconciling or alleviating their 'conflicting caring self'. Secondly is the **'Connecting Caring Self'** – which is shown through the 'Adapting family into Lifestyle' snapshot where women described the needs of the self and the needs of significant others as a connection. Consequently their stories depicted them *'weaving'* both these needs (their consumption experienced focused towards integrating their work and family). Furthermore, this paper demonstrates that the connecting caring self can involved a need for connection with spiritual or religious matter – through the 'Settled Lifestyle' snapshot these women described the need for relationship and connectedness

with God. They described the importance of balancing their worldly and religious affairs (their consumption experienced focused on maintaining this balance).

Generally the findings were able to capture the nature of lifestyle as a concept and space for consumer's to construct their self-identity as theorized by disparate of scholars e.g. (Arnould & Thompson, 2005; Featherstone, 2007 [1991]; Giddens, 1991; Slater, 1997; Wattanasuwan, 2005). My findings shows that each women's distinctive and creative ways in achieving the lifestyle they aspire are reflections of the (re) presentation and (re) fashioning of their self identity. Consequently these women's lived experience demonstrates juxtaposing both consumption and non-consumption as an important aspect of constructing lifestyle and reflecting our sense of being (Dobscha & Ozanne, 2001; Thompson & Troester, 2002; Wilk, 1997). In addition this paper shed light on the reflexive process of constructing lifestyle in line with (Featherstone, 2007 [1991]) and (Giddens, 1991) theorization about lifestyle as a site for constructing self-identity. These women lived experienced demonstrate that they are not passive receptors of their contextual background instead they are able to reflexively shape their own lifestyle through various creative strategies (Bourdieu, 1984; Gans, 1999 [1975]). Although their lifestyle were to a certain extent bounded by factors such as – the amount of income/ wealth, these women demonstrated immense effort to increase or acquire this source in the quest to better their life and secure their children's future. Moreover, although these women consumers were to a certain extent free to move across dynamic space of lifestyle, there were no evidence that they were competing for a high status lifestyle for others to see as suggested by (Bourdieu, 1984) and other classical theorists such as (Weber, 1946/1958) and (Veblen, 2007 [1899]), instead these women's consumption and lifestyle were directed towards self realization to achieve goals and motives for the self and in relations with their significant other. This is in line with the findings of (Longhurst et al., 2000; Longhurst & Savage, 1996) whose studies found that consumers appear to declined to be categorised under any class instead they were inclined to define their own individualized identity.

**Table1: Various dimensions of the Caring Self**

| Dimension | Resolving Strategy | |
|---|---|---|
| | **Changing Lifestyle to fit family** <br><br><br> BALANCING *(the need of self and need for relationship with others)* | |
| | **Settled Lifestyle** <br><br><br> BALANCING *(needs of self and need for relationship with God)* | **Adapting family into Lifestyle** <br><br> WEAVING *(needs of self and need for relationship with others)* |

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# Gender Differences in the Processing of Reference Price Information

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## ABSTRACT

Despite widespread use of gender-based segmentation strategies, there have been few examinations of gender differences in price processing. In three studies, we show that external reference prices in an ad have a greater impact on women than men in terms of attention, processing effort, deal evaluation, and price recall accuracy.

Retailers have generally not adjusted the price presentation formats in their ads based on the gender of the segment being targeted. Despite the widespread use of gender-based segmentation strategies, there have been very few examinations of differences between the genders in terms of their price information processing strategies. To our knowledge, there have been no examinations in the research literature on whether gender influences how consumers process price information in a retail comparative price advertisement. If males and females process price information differently, it would hold important implications for how retailers promote their products in price-based ads.

A vast amount of the gender research in consumer behavior has focused on the social factors that lead to distinctions between men and women in their consumption behavior. Existing literature suggests that there are social and biological reasons for expecting gender differences in information processing (see Putrevu 2001 for an excellent review). In the context of advertising, Meyers-Levy and her colleagues (Meyers-Levy 1988; Meyers-Levy 1989; Meyers-Levy and Maheswaran 1991; Meyers-Levy and Sternthal 1991) have demonstrated that males and females use different information processing strategies in their evaluation of advertisements. Building on the selectivity hypothesis, these studies have shown that women generally engage in greater elaboration and more detailed processing of ad content than men (especially when message factors do not encourage a particular processing strategy). Specifically, studies have shown that (a) men are selective processors and use heuristics to focus on processing available cues while women tend to be comprehensive processors, (b) men give greater weight to self-generated information while women give equal weight to self-generated and other-generated information, (c) women elaborate more on negative emotions than positive emotions while men do the opposite, (d) women encode more ad claims than men, and (e) women respond more favorably to objective claims than subjective claims under moderate-risk conditions (Darley and Smith 1995; Putrevu 2001).

While there is clear evidence that women process information differently than men, to our knowledge there is not a single published study on how these information processing differences impact price processing in reference price ads. If women process price information in ads differently than men, it would suggest that gender-based advertising strategies may be an effective way of influencing consumer reactions to deals. It is likely that both the amount of price information provided in the ad and the manner in which it is processed may result in men and women making different price judgments.

We will present the results of a series of studies exploring how gender may affect the processing of price information in reference price ads. Three preliminary studies have been conducted to test a series of hypotheses relating to gender effects in price processing. Additional studies are being planned.

In order to evaluate the deal, the sale price is the most relevant piece of information. Men, as heuristic processors, are likely to focus on that single salient piece of information. As comprehensive processors, we expect women to be more influenced by the external reference price than men. Based on the selectivity model, we expect:

**H1:** Adding an external reference price to an ad will have a more significant impact on processing effort for women than for men since women are more likely to put in the effort to process that information.

**H2:** Adding an external reference price will have a more positive impact on deal evaluation for women than for men as it is more likely to influence their evaluation of the deal.

The differences in information processing should also affect the manner in which price is encoded in short-term memory. When price information is provided in both dollars and cents, encoding the complete prices in dollars and cents is

more effortful and requires comprehensive processing of the advertised price. As heuristic processors, we expect men to use some simple price encoding strategy while women are more likely to elaborate on the complete price and encode the digits on both sides of the decimal point. This should impact their short-term recall of the prices presented in the ad.

**H3:** Men are more likely to use a heuristic encoding for price information and women are more likely to use digit-based encoding for the price information in an ad.

**H4:** Men are likely to have lower price recall accuracy than women.

**H5:** Because sale price is a salient cue, the effect of gender on price recall accuracy should be greater for the external reference price than for the sale price in the ad.

When processing the price information in an ad, both men and women will process the sale price since it is the key piece of information in a price ad. However, the regular price information should be given more attention by women compared to men.

**H6:** Attention given to the sale price information in an ad should not differ between men and women

**H7:** Women will give more attention than men to external reference price information in an ad.

## STUDY 1

Study 1: used a full-factorial 2x2 design. We evaluated subjects' responses to four versions of a sale ad for skis. The versions varied systematically only in the amount of price information presented in the ad. Version 1 had no price information and served as a baseline, version 2 included only an external reference price (regular price), version 3 included only a sale price and version 4 included both the regular price and sale price. Subjects were asked to provide point estimates for some internal reference price standards and then asked to evaluate the deal presented in the ad. Results support hypotheses 1 and 2.

## STUDY 2

In study 2, we examined whether the differences in processing of price affects the price encoding strategies used by men and women and how this influences price recall accuracy. Subjects were presented with a reference price ad for a camera and asked for internal reference price point estimates. They were also asked to recall the sale price and the external reference price in the ad. H3 was supported, H4 found marginal support and H5 was not supported

by the data.

## STUDY 3

In study 3, we replicated study 2, but used eye-tracking equipment to assess how much attention subjects gave to the different price cues in an ad. Findings were basically consistent with H6 and H7. With a standard reference price ad, females pay more attention to the external reference price than males. The studies have both theoretical and practical implications. From a theoretical standpoint, the studies show that gender may affect how price information in an ad is processed. This is an important, but overlooked variable in reference pricing research. From a practical standpoint, the results suggest that targeted price-based ads may be made more effective by taking into consideration how the different genders process the advertising information. Understanding these processing differences will help retailers produce more effective promotions (Darley and Smith 1995).

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# Welcome to Avalon: Expert Stakeholders' Socialization of Consumers Towards an Uncertain, Noumenal Technology (Nanotechnology)

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This paper explores expert stakeholders' socialization of consumers towards an uncertain, noumenal technology, nanotechnology. A qualitative analysis of the discourse of nine Nobel Laureates and stalwarts in the field of Nanotechnology revealed their harnessing of the power of myths and magic to engender discursive closure about this technology.

Much of extant consumer research that seeks to understand consumers' engagement with technology (Mick and Fournier 1998; Giesler and Venkatesh 2005; Kozinets 2008) is based on phenomenal technology or technology that one can see or experience. However, in the past three decades, the complexity of technology has increased to such an extent that some of the existing technology today is noumenal, or technology that is "unknowable," since it exists above or below human thresholds of perception and control (Nordmann 2008). One of such noumenal technologies is Nanotechnology. Nanotechnology includes a wide range of technologies that manipulate and control atoms and molecules (European Commission 2011 ) between 1 and 100 nanometers (National Nanotechnology Initiative 2011). Over the last three decades, substances engendered through Nanotechnology have seeped into nearly every kind of consumer products including cosmetics, food and garments (Thomson Reuters 2010). On the one hand, this technology's impact on humans and environment is unknown (Lok 2010) and may have the potential to wipe out mankind (Centre for Nanotechnology 2011). This makes the consequences of this technology uncertain. On the other hand, Nanotechnology – including its future avatar, the molecular fabricator --offers protean possibilities. Investments in this domain are second only to Apollo's moon landing missions (Lok 2010). Such high gain -high risk (in terms of existential threats) investments, necessitate the socializing of consumers towards this technology, especially in lieu of consumers' growing distrust of "expert systems" (Beck 1999; Best and Kellner 2001; Thompson 2005).

In this paper, I explore how the ideology of such an uncertain, noumenal technology is positively enlivened in the minds of consumers. My study specifically looks at how expert stakeholders in this domain shape consumers' understandings about nanotechnology. The rationale for focussing on producers' discourse instead of consumer behaviour is informed by other studies in consumer research domains (Thompson 2004; Cayla and Eckhardt 2008; Maclaran, Otnes and Fischer 2008; Thompson and Tian 2008; Humphreys 2010) that underscore the possibility that a strict focus on consumers as the object of study elides the essential roles that various other factors play in creating, sustaining, intensifying and legitimising different facets of consumption.

I utilized an interpretive analysis of the public discourse and rhetoric employed by expert stakeholders in the field of nanotechnology. My focus on scientists' discourse about this technology is informed by two streams of thought :

a) Bourdieu's (1986) emphasis on the ideology-structuring role played by those owning a field's symbolic capital. In the context of highly specialized domains, the experts usually own the maximum symbolic capital.

b) Persuasion research studies' revelation that under conditions of ambiguity, source expertise can serve as an argument for consumers (Petty and Cacioppo 1986). Consumers' knowledge about nano-materials is negligible (Reisch, Scholl and Bietz 2011) and thus this domain represents an ambiguous situation to them.

Public talks or documentaries about Nanotechnology in which Nobel Laureates or stalwarts in their respective fields gave their opinion or were the host served as the data of analysis. Because of the high level of expertise required in this domain to be considered a stalwart, the number of expert stakeholders whose discourse was analysed was limited to nine. The discourses were analysed for common themes that emerged across the various sources of data. Owing to the critical stance of the current study as well as the public standing of the scientists concerned, the actual identities of these scientists are withheld from this abstract. The axial coding and pattern recognition of the nanotechnology discourse resulted in my identification and interpretation of six key themes that expert stakeholders draw on as they engage in shaping consumers' understanding of this uncertain, noumenal technology. These are:

## REDEFINING CREATION, THINKING AND PROGRESS

In this discourse, all of creation, including humans, is redefined to mean "just a collection of atoms". Thus, illness is just an incorrect collection of atoms which, with the future promise of nanotechnology, can be shifted around to make man well again. Philosophical thought is not something that sets humans apart from animals, but is simply redefined as "operations per second", and nanotechnology is underscored as the route to speed up the "operations" to the desired level. Progress is equated with having control and power, the epitome of which is achievable through nanotechnology.

## HARNESSING CULTURAL MYTHS

Allusions to the post-Fall, pitiable condition of humans is evident in much of the nanotechnology expert stakeholders' discourse, with modern humans framed in terms of a state of being, not too far removed from the one immediately following their expulsion from Eden. All of humanity's creation is deemed as "clumsy" and the current methods of production of humans are equated to the inefficiency of medieval times. Nanotechnology is positioned as the saviour that can bring humans out of this post-Fall shame.

## ENLIVENING GENESIS VERSION 2.0

All of creation in this discourse is underscored as being something that needs to be improved through the creation of a new reality. This "new reality", created through nanotechnology, is perfectly framed by an exquisite vision of what Genesis Version 2.0 would be like---a new Eden where man would have super-human powers, have perfect control over what happens to his body, be able to better nature's blue-print of man through using new chromosomes when required as well as control, to some extent, when one succumbs to a life-threatening disease. According to the expert stakeholders in this domain, this mandatory, essential, inevitable and inexorably approaching second Genesis will be made possible through Nanotechnology.

## NATURALIZATION OF THE TECHNOLOGY

Nanotechnology, specifically programming a particular molecular arrangement, is positioned as being completely natural, and thereby not harmful. This rhetoric is underscored to the audience by demonstrating with various examples of *"mother"*

nature's use of technology, as *"she"* programs life-forms related matter. Talk about nanotechnology ending with cranes flying into sunset as joyful music plays in the background suggests that nanotechnology and nature are in beautiful harmony with each other. The "world of atoms" in which nanotechnology operates is introduced to the audience as a misty, white world with pearl-grey atoms all arranged in rows, colour schemes reminiscent of heaven in popular culture, guiding the viewers to associate nanotechnology with purity, peace and tranquility.

## EMPHASIZING THE FUN ASPECTS OF THIS TECHNOLOGY

The "harmless" aspect of nanotechnology is further emphasized by positioning research in molecular manufacturing as "*fun*" where one gets to try to build interesting "*little teeny gizmos*" . Thus this field is "fun", the research in this field is "fun", and even the failures in research in this field –where pieces fall apart in a simulation ---are "fun".

## TAPPING INTO THE "MAGICAL CONSCIOUSNESS"

The expert stakeholders in the domain of nanotechnology, through the harnessing of magical themes, tap into the vein of magical consciousness that is intrinsic in all human beings (Davis 1998; Greenwood 2009).This positions this uncertain technology as something that is supernaturally enchanting. Of the various representations of magic (Mauss 1952), anthropomorphism, druidry, power of regeneration, power over matter and creation through invocation are foregrounded in the nanotechnology producers' discourse.

Using a combination of these themes, expert stakeholders socialize consumers towards the uncertain technology, thereby trying to subvert the existing distrust in expert systems (Beck 1999; Best and Kellner 2001; Thompson 2005). Giddens (1991) suggests that people, through their "active and reflexive engagement" have the ability to undermine the power of dominant social structures. The current study suggests that in a world of increasing technological complexity, where none but field specialists can understand the workings and the consequences of consumption, expert stakeholders employ myriad methods of discursive closures (Deetz 1992) aimed at positively shaping consumers' perceptions about an uncertain and potentially dangerous technology positively, thereby engaging in a Bourdieuian act of

Symbolic Violence towards consumers.

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# Online Retailers Versus Branded Retail Stores: Perceived Value and Purchase Intention of Luxury Fashion Brands

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## ABSTRACT

The paper compares the perceived value and purchase intention of a luxury fashion brand when it is distributed via a branded luxury store versus when it is distributed by an online retailer of fashion clothing. Using a two cell experimental design, respondents were asked to rate their perceived value of the brand and purchase intent after being shown either an image of the brand being retailed from an actual store, or a screenshot of the brand being retailed by a real online retailer. Respondents viewing the online screenshot rated perceived convenience and price value higher than respondents viewing the traditional brand store who rated functional value higher. Purchase intention from the online retailer was positively influenced by emotional and convenience value while purchase intention from the branded store was positively influenced by social and financial value.

## INTRODUCTION

The purpose of this paper is to investigate how different retail channels – online and offline – impact luxury consumption behaviour. The motivation for this paper is a paradox surrounding luxury brands and the adoption of the Internet as a distribution channel. The luxury industry is at crossroads to grow the industry further (Keller 2009). However, the Internet, an opportunistic platform for the luxury industry, faces resistance from luxury brands (Riley and Lacroix 2003). The Internet, considered a mass channel for distribution has no place for luxury brands where exclusivity and rarity predominates over the value online activities bring to businesses (Okonkwo 2009).

According to (Okonkwo 2009), luxury as a concept is defined to "evoke uniqueness and exclusivity and is interpreted in products through high quality, controlled distribution and premium pricing." (Jackson 2004) suggests that the core characteristics of the luxury product should possess "exclusivity, premium prices, image and status which combine to make them more desirable for reasons other than function." Subsequently, Phau and Prendergast (2000) define luxury brands to possess the ability to evoke exclusivity, portray a well-known brand identity, increase awareness and perceived quality, and retain sales levels and customers' loyalty.

Albeit being an opportunistic platform the Internet presents risk that luxury brand managers have to address with regards to creating and maintaining the core characteristics of luxury brands. The existence of new retailers on the Internet has opened up new channels for the distribution of luxury goods. The growing affluence among consumers is a contributing factor to this phenomenon (Fionda and Moore 2009). Suppliers of luxury fashion goods developed new strategies by increasing availability of their goods through the extension of their geographic coverage and market accessibility via the opening of dedicated points of sale i.e. the Internet. However, this phenomenon is undermining the scarcity element that luxury brands try very hard to maintain.

Several authors conclude that distribution is fundamental in maintaining the scarcity element. Appadurai (1986) termed it as the complexity of acquisition, which may or may not reflect real scarcity. One major attribute of luxury goods is the perception that they are scarce. Yet, the growth in consumers' spending power has increased demand for luxury goods and the online distribution channel has paved a new way for consumers to purchase them. In addition, Kapferer and Bastien (2009) specified that the luxury brand is something that has to be earned and necessary obstacles have to be put in place. Dubois and Paternault (1995) observed that marketing luxury goods is a paradox as a brand that is overdiffused may lose its luxury character. Catry (2003) made a similar observation that luxury producers must maintain at least the illusion that their goods are scarce. The Internet as a distribution channel contradicts with this viewpoint of being scarce as it is considered a mass channel of distribution (Okonkwo 2009).

In conclusion, there are trade-offs when it comes to managing growth in the luxury industry. The luxury brand has to maintain sufficient growth in sales and profits over time. Furthermore, expanding its customer base proves a challenge, as there is a need to maintain the element of scarcity without risk

of overexposing the brand by increasing accessibility to purchase the product, which may in turn diminish the luxury character.

This study attempts to provide luxury marketers suggestions they can utilize to capture the new emerging consumer segment. Although several retailers already sell luxury goods online, minimal research has investigated the effect this move has on consumer perceived value. Moreover, most research focused on qualitative aspects of luxury consumption. Minimal research has tested conceptual frameworks of luxury consumption empirically. This study aims to fill the gap between traditional research frameworks and recent ones that depict luxury value. Subsequently, this study examines the relationships between perceived values and purchase intentions in the luxury context.

## DESIGN/METHODOLOGY/APPROACH

This study was conducted in the context of luxury fashion brand employing an experimental research design using online surveys. The survey questionnaire consists of three sections and 41 items and was distributed to 150 people. Respondents were shown either an image of the online or offline retail store based on the luxury brand Gucci. The online questionnaire adapted established scales to measure the key constructs of the study, which are consumer perceived values (Sweeney 2001; Sweeney and Soutar 2001) and purchase intention (Overby and Lee 2006). The majority of scales were measured via statements using a seven-point Likert-scale. Only 132 surveys were usable and were entered into SPSS for analysis where statistical techniques such as descriptive analysis, independent T-tests, exploratory factor analysis and multiple regression were performed to address the relevant hypotheses.

## FINDINGS

The results showed no differing value perceptions associated with the place the product is sold and thus place does not affect the desirability of the luxury fashion brand. However, consumers place different weights on the values when using a specific channel. The findings showed that consumers place functional and visual appeal higher when marketed via offline retail store while online consumers place financial and convenience higher when the luxury fashion brand is marketed via the online retail store.

The functionality of a luxury fashion product is weighed higher when offered at a branded retail store can be attributed to several propositions. The high quality image of the store reinforced the high quality of the brand, or reinforced the authenticity of the product, or offered the promise of additional services where staff could recommend the 'right product' or because customer could touch and feel' the product. Similarly, the branded retail store received higher ratings for visual appeal than the online store. This is consistent with the image portrayed by the luxury fashion brand that is to visually appeal to customers through their flagship stores. The stores are specifically designed to signal the exclusivity, luxury and extravagance that is the heart of luxury (Moore, Doherty, and Doyle 2010) and it serves as an essential element of the luxury brand experience. On the other hand, online retail stores are designed for ease of navigation and maximum chance that visitors will see something that attracts their interest. Henceforth, they will typically display multiple products on one page with features and price highlighted.

On the other hand, online stores receive higher scores for financial value. The most attractive attribute of the online store is the provision of items at a price offered lower than the offline retail store. Customers expect that goods sold online are relatively cheaper and the stimuli showing marked down prices reinforces that perception. As price is one of the main trade-offs in the calculation of value (Sweeney and Soutar 2001), we could expect that getting a branded product for a lower perceived price would have increased the perceived value of the online offering. However the pricing of luxury items is intrinsic to the overall perception of 'luxury' because consumers use price to indicate quality and exclusivity. Therefore whether lower prices of luxury items increase perceptions of overall value as much as for other product types is unclear. The lowered prices made it more affordable for consumers who wish to own a luxury fashion item but lower prices may be interpreted as indicators that the products sold online are not authentic, or are defective, or old stock. Excessive price reductions and markdowns may carry the risk of eroding prestige and exclusivity for consumers who pursue the brand value and which luxury brands strive to build and maintain over the years (Okonkwo 2009; Wee, Tan, and Cheok 1995).

The results also indicate that convenience contributes value in online shopping. Consumers feel rushed and the Internet offers them quick and convenient access to many things including products to buy. Therefore, marketers are actively establishing

online channels to accommodate online consumers. However, convenience is not necessarily consistent with the intrinsic attributes of luxury products including scarcity & exclusivity. By making luxury more accessible to consumers, the brand risks losing its exclusivity and henceforth lowers its desirability (Lynn 1991).

Subsequently, the findings of this research have provided significant evidence that all perceived values positively influence offline purchase intention. Similarly, all values had a positive relationship on online purchase intention, yet, functional and social value had negative effects on online purchase intention. This could be attributed to the doubt surrounding the online sourcing process, which may account for the perception of the possible distribution of counterfeits and the social stigma that comes with luxury consumption. Conclusively, this paper also established that the Internet opens up many opportunities for the luxury industry to grow further with its limitless possibilities. For example, the Internet as a distribution channel could be the answer to reducing the war on counterfeits by making luxury goods more affordable for consumers. Evidently, the Internet has integrated intricately into the daily consumers' lives and luxury should try establishing itself online as how they did with their traditional distribution channels.

## LIMITATIONS AND FUTURE RESEARCH

The proposed model was tested in the context of luxury fashion, which encompasses any products from clothes, handbags, jewellery and accessories etc. Respondents answered the survey based on a generic idea of a luxury fashion item. Furthermore, the subjectivity of the chosen luxury fashion brand may have an adverse effect on the results. Respondents may have preconceived notion towards the represented brand and henceforth may have skewed perceptions of the brand prior to this study.

Subsequently, results cannot be generalised to the larger population of luxury consumers. For future research, this study should extend to encompass other luxury brands and focus on specific product categories.

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# Australian Gun Culture, a Rich Web of Meaning

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## ABSTRACT

Using a sociocultural approach the Australian firearm sub-culture is explored with the aim to better understand why Australian firearm owners consume firearms. These findings are the culmination of Nine years of ethnographic research, with a commitment to dependability by ongoing monitoring of the lifestyle. The findings demonstrate that Australian shooters not only love their guns, but through possession and usage achieve four specific consumption metaphors; namely, identity construction, identity reconstruction, appreciation and catharsis. Specific enabling objectives form the conduit to achieving these ends. Enabling objectives include mechanical precision, mechanical potential, martial potential, nostalgic symbolism, recreation and functional utility. Shooters also value firearms for the opportunity to derive a sense of self, through cathexis, contamination and self-extension, demonstrating the complex and multi-faceted nature of what is considered in Australia a cloistered, semi-deviant consumption activity.

## INTRODUCTION

Rifles and pistols hang on my friend's living room wall like old family portraits. They are lived with as comfortably as a family heirloom. My friend speaks knowingly of their shape, describes each weapon lovingly, as if it possessed its own substance. He is both literate and civilised, but he would never deny these guns are more than a possession to him. They are an altar before which he bends the knee. A right of ownership he considers inviolable, even sacrosanct. And yet my friend is not a violent man. (Kriegel, 1999, p. 149).

To the wider Australian community and shooters alike there is magic, mystery and meaning residing in guns. To aficionados guns are true marvels of craftsmanship, representing centuries of refinement in precision and lethality, honed with such measured singular purpose. What lethal potential, rich with meaning, symbolism and zeitgeist. They are empowering when possessed, sentient when dispossessed, undoubtedly puissant yet also cathartic in use. They are the ultimate extension of self. They connect us with the past, influence the present and shape the future. They represent an extraordinary Euclidean-type paradox (MacCarthy, 2009); salvation of the oppressed, oppression of souls, or merely unexceptional tools for animal husbandry and sport. Regardless, they are a sobering reflection of culture. Although considered a tool in competition guns have enormous potential for user cathexis (Otnes, and Lowrey, 2004; Schouten, 1991), self-definition (Belk 1988, 2001; Erikson, 1955) along with permitting their owners a sense of uniqueness and individuation (Fromkin and Snyder, 1980; Jung, 1962).

Consumer behaviour is replete with concepts that extend our understanding of the worth of products to their owners. Concepts such as form and function distinguish between the pragmatic utility of a product and any allied meanings associated with semiotics and shape. Further, allied meanings can include brand equity; that esoteric concept of 'nothingness' that is this collection of contrived positive ideas, ideals, associations and contaminations (Belk, 1988). Cathexis, to a degree dependant on individuation, is also a product 'value-add', or enhancer. In the same way salt not only changes the taste of our food and in doing so adds value to the food so does any consumer investment of emotional energy in a consumable. This extended definition of a product exists at all phases of the consumption activity; from the communication and display to the decision processes, to the preparation for consumption, the act of consumption and finally the disposition. In this study we consider the multitude of paradigms and opportunities in the context of one particular product; that being firearms in an Australian setting.

## METHODOLOGY

The data used in this paper comes from a nine-year ethnographic study, commencing in 1999 and finishing in 2008. This investigation examined the cultural meanings associated with the consumption of firearms in Australia and their use in social settings ('gunplay'). Initially one gun club in Western Australia, The Pine Valley Pistol Club was chosen for an in-depth case study; however as the result of an iterative methodological process three more clubs of different types and disciplines were included. This occurred after realising the closeted nature of this shy and restrictive enclave manifests in subtle differences in sub-cultural dynamics between clubs and disciplines. These findings were in turn

considered in a wider context of firearm use; that being hunting and paramilitary. This examination of social construction was not only for its own sake, but also in consideration of the argued interconnection between sociocultural phenomenon and consumption behaviour (McCracken, 1988; Sahlins, 1976).

The data collection followed the techniques contained in Denzin and Lincoln's (1985, 1994) qualitative research treatise, comprising observation and participation at club meetings held on weekends, at the various clubs over nine years. While eight rifle clubs and six handgun clubs were visited the bulk of the formal data came from four clubs; that being two rifle and two handgun clubs. These four clubs, Pine Valley Pistol Club (PVPC), Swanbourne Services Shooters Club (SSSC), Perth Rifle Club (PRC) and Armadale/Byford Rifle Club (ABRC) are where the author held financial membership during the data collection phase. For comparison purposes gunplay was also observed in a rural non-competitive setting on four farms with non-club members (city dwellers and farmers). Attitudes towards firearms were obtained through discussion with club members, rural firearm owners, respondents involved in regulation (e.g. Police), current and former Army personnel.

The data collection comprised observations of firearm usage activities. These observations were recorded into field notes; further divided into perspectives 'in-action' and perspectives 'of-action' (Belk and Wallendorf, 1989). These were supplemented with over 100 digital photographs (Worth, 1975) taken, with redundant photographs culled at a later date (Bateson and Mead, 1942). Unstructured communication occurred with three quarters of the PVPC members, all members of the PRC, SSSC and roughly half of the ABRC. Also, approximately twenty visitors from other clubs, five police officers, ten civilian security officers (with handgun endorsements), five Defence-Force personnel, five gun-shop workers, and seven farmers. The cut-off point was determined by saturation through informant response redundancy and diminished returns (Arnould, 2001). Respondents ranged across all levels of experience and involvement from young neophytes to those counting five decades of shooting experience. Iterative methods and emergent design was used to steer the research project along; early hypotheses and inferences leading eventually to the final genres of external force on firearm ownership. The constant comparative method of data analysis was used, as detailed by Glaser and Strauss (1967).

Although constant comparison methodology has its roots in Grounded Theory, the project cannot strictly be called such, as prior assumptions were deliberately made and explored. The rationale for this paradigm of pre-disposition and assumptions stems from the authors prior involvement with firearms from an early age, through to serving in the Australian army.

Issues of internal and external validity, reliability and objectivity have arguably little relevance in a qualitative setting, however the study was conducted bearing in mind the equivalents as outlined by Wallendorf and Belk (1989), and Hirschman (1986). The qualitative equivalents referred to being credibility, transferability, dependability and confirmability. Triangulation (Denzin, 1970) was obtained across sites, sources and time. Member-checks (Heisley and Levy, 1991) were used when the opportunity presented itself, not only as an aid to establishing credibility and accuracy, but also to solicit further discussion from key respondents. Contrary to Hirschman's (1986) advice however disquiet did not always result in revising the interpretation, given respondents were often keen to present their lifestyle in the best possible light and saw the project as an opportunity for doing so.

## FINDINGS

Analysis of the data not only confirmed the intuitive expectation that shooters love their guns: but also revealed a rich extended web of meaning and possibilities afforded by firearm possession and usage. For this paper we consider the multiple facets of Australian firearm appreciation that ultimately lead to a holistic appreciation of the seminal artifact and associated lifestyle. This web of meanings typifies what is a cloistered (Celsi, Leigh and Rose, 1993), niche sub-culture of consumption (Schouten and McAlexander, 1995), resulting in consumer values often at odds with the wider non-shooting community. This wider non-shooting community view firearms differently, while a legal consumable with appropriate licensing, firearms fall well within Hirschman's consumer definition of 'The Dark Side' (1991a, 1991b).

Figure 1. sums the various sub-themes in the dynamic that is product engagement (Bowden, 2009). Considering 'Appreciation' (Holt, 1995) as the ultimate consumer goal we consider the intrapersonal relationship between individual owners and their firearms.

Fig 1. Extended Model of Firearm Consumption
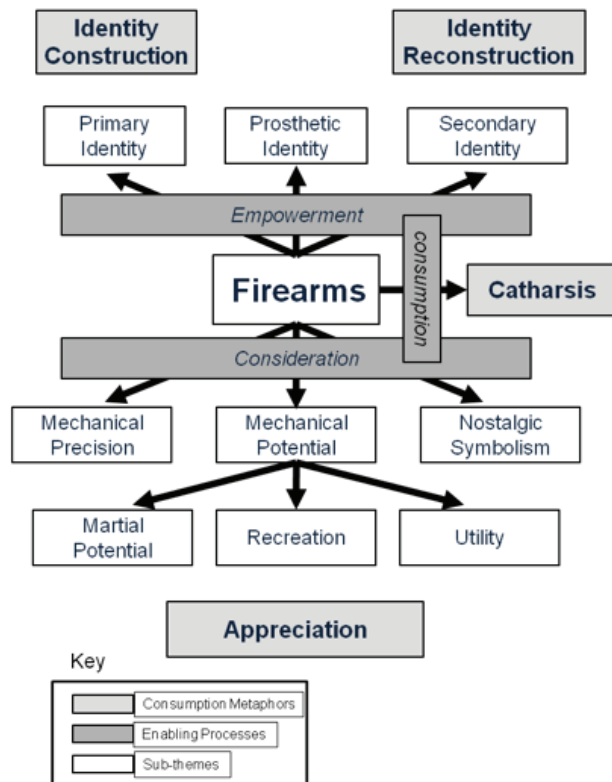
One manifestation of firearm appreciation is as mechanical objects. We marvel at their craftsmanship, curves, and components. We appreciate their historical significance as we weigh their nostalgic properties. We marvel at these magnificent engines of moving parts. Each part designed to perform a key and interesting function with interrelated efficiency. Undoubtedly magnifying this appreciation is the knowledge that we control these special engines; through triggers, knobs, bolts and catches, through consideration, skill and choice of components. In controlling these engines so do we realise their potential. Not simply the obvious martial potential for destruction (although this should not be underestimated), but also for the potential implicit in sporting competition and subsequent enjoyment from a recreational perspective.

Self-empowerment through armament (Kohn, 2004a, 2004b; Lattas, 2005) or martial potential was indeed a recurring theme, although one that was not something the majority of shooters would willingly admit to, especially in light of there being no provision to possess firearms for self-defense in Australia. This admiration can be present regardless of whether or not the shooter intends to ever use it in this type of situation, and irrespective of any level of age, maturity or responsibility. Many

Australian owners of the German Glock brand of handguns admire its primary function as an efficient and reliable defensive weapon. In Australia however the most a Glock owner can expect to realise of its martial potential is making holes in cardboard targets (albeit while simulating a martial situation). This admiration of a guns martial potential is related to the concepts of self-worth, self-assurance and in some cases, self-completion (Wicklund and Gollwitzer, 1982).

One manifestation of empowerment is evident when in possession of a firearm, and the emasculation that occurs in dispossession was evident in discussion with an Australian private security contractor returning to Perth from work in Hilla, Irbil and Baghdad, Iraq. On asking how it made him feel, to be empowered in Iraq with the opportunity to shoot at people with relative impunity.

Actually it makes me feel pretty calm. You feel pretty powerful, like a God. I'd be sitting in the car and watch some joker doing something stupid on the road and I'd think, 'It's OK, I forgive you… You may live' [while making the sign of the cross as a priest would bless a congregation]. They stare at you and its clear they don't like you. I bless them, 'Forgive them Father for they know not what they do' [laughing at the Christian/Islamic juxtaposition and irreverence]. Here [in Perth] I'd be pissed off [if they did that]. But what can you do? You can't drive round Perth shooting people. (M38)

On another occasion the author was introduced to 'Old Painless', a Sako [brand] 22.250 [calibre] scoped rifle used by a Farmer (M35) in the South West. This person had personified his favourite rifle by giving it a name that evoked both tradition and nostalgia, while at the same time making a subtle claim to accuracy. The accuracy claim comes indirectly from the result, an accurate killing shot has on an animal; a quick and therefore painless death. Personifying the rifle also justified the lavish care vested in one of his most prized possessions.

Allied with martial potential and personification is the consuming of guns for recreation. While the nature of competition precludes everyone from winning there is certainly no shortage of opportunity to personally 'win' when consuming firearms. Each shooter considers and constructs personal definitions of success and then applies these to their participation. When this occurs in competition the individual realises numerous situations of success over time, enhanced by the challenges of achieving it, of desiring it and along the way, failing. All the

while this intense personal focus on recreational consumption is facilitated by the marketing of firearms and associated accoutrements that complete the picture, or as Scammon (1986) referred to in the context of horse racing as material and social 'side-bets' (cited in Schouten and McAlexander, 1995). As one respondent sagely proffered, "Every shot makes someone happy." (M40)

Lastly, firearms can be appreciated through the utility of the mechanism. A multitude of different types and calibres translates into never-ending comparisons of potential utility. Bullet construction for example allows appreciation through impact comparisons on various targets, either living or inanimate. Firearms being systems of components allow individuals the opportunity to choose and vary components to achieve an imagined result, throughout which is evaluated and appreciated (Bryant, 1994; Holt, 1995). As the model in Fig 1. demonstrates, utility is but one aspect of firearm appreciation in a myriad of possibilities and meanings.

## SUMMARY

This paper highlights the strong bonds of affinity between owners and their guns. It also reveals the complexities, subtleties and nuances associated with a multi-faceted consumer lifestyle. A person's commitment to firearms as a product, and shooting as a lifestyle is rich with meanings and complexity beyond the intuitive expectation of mainstream society. The consumption of firearms affords the consumer the opportunity to construct an identity sometimes, but not always, in keeping with symbolic self-completion (Wicklund and Golwitzer, 1982). For others it is an opportunity to construct a secondary identity or avatar. A shooting avatar is displayed when in the company of other shooters and remote from the wider community. This is partially due to the normative 'semi-deviant' label of firearms usage in contemporary Australian culture, but partly due to the added value having two identities affords a person. Firearms usage also affords the consumer the opportunity for agon and catharsis. A situation of 'conflict' is constructed whereby the shooter is pitted against a worthy opponent; be it a paper target in a challenging scenario or another shooter in competition. Following the inevitable 'battle' there are winners and losers, however all to a degree revel in catharsis and denouement. Finally there are a myriad pathways to appreciation ranging from appreciation of a firearms destructive potential to an appreciation

of the intricacies involved in engineering such machines. While there is no doubting the contentious nature of firearm consumption in any society with no similar US Second Amendment guaranteeing the right to bear arms in Australia firearms remains closely and cautiously controlled. They are not taken for granted by Australian society as whole, but nor are they by shooters themselves.

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# Consuming Collaboratively: Examining the Motivations for P2P Renting

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## INTRODUCTION

Many consumers live in a clutter, entrapped by their extensions of self (Belk 1988), avariciously finding more pleasure from products alone than their use (Belk 2001). In extreme cases, some become so attached to their possessions that even after becoming homeless they still pay for storage units to preserve their treasures (Clayton 2003). This is one of many hoarding examples in the popular media (Lepselter 2011), where materialism becomes embedded in social disorders (e.g., Maier 2005) and the emerging traits of nongenerosity and envy become associated with consumer unhappiness (Belk 1984). In the case of the Great Pacific Garbage Patch where waste runs 30 meters deep (Moore, Lattin, and Zellers 2005), inefficient consumption also ends up hurting the environment. Against this backdrop, there has been a movement towards green marketing, sustainable lifestyles and aspects of anti-consumption to address the environmental and social repercussions of overconsumption (e.g., Prothero, McDonagh, and Dobscha 2010).

Following recent sustainability trends to improve not only the quality of consumption but also the *quantity* consumed (e.g., Kilbourne and Mittelstaedt 2012), there has been a socioeconomic revolution brewing in the popular press, and Rachel Botsman has been instrumental in the mission to make sharing "cool." Coining the phrase *Collaborative Consumption*, the term describes the "cultural and economic force away from 'hyper-consumption' to re-invented economic models of sharing, swapping, bartering, trading or renting that have been embedded by advances in social media and peer-to-peer online platforms" (Anonymous 2011).

This research explores a reinvented form of renting: peer-to-peer (P2P), as opposed to traditional B2C/B2B rental transactions where there is a plethora of existing literature using terms such as 'product service systems' and 'use-oriented services' (e.g., Behrendt et al. 2003; Mont 2002). As consumers often possess items that they do not use all of the time – known as *idling capacity* (when these possessions are not in use) – they hold an inventory of items which could bring social, financial, and altruistic benefits to both themselves and others by allowing other consumers to make use of those items through rental transactions (Botsman and Rogers 2010).

P2P renting allows consumers to rent to and from strangers. Traditionally, this would be difficult to coordinate without technology, as for example, trying to find someone who needs a chocolate fountain or has a spare gorilla suit would be a time-consuming search process. However, P2P renting is made possible by broker websites which act as a 'bridge' (Granovetter 1973) that transfers this information between peers. As this is a new practice, there is little extant research exploring users' involvement with P2P renting. The purpose of this study is to understand both the motivations and deterrents for this re-invented model of exchange.

## METHODOLOGY

Purposive sampling provided eleven participants from four types of users: three Renters and Providers (Two-Way users), one Renter, five Providers, and two Non-Users (those who had signed up but had not yet participated). Participants were recruited online through five P2P rental companies (Rentoid, Ecomodo, Snapgoods, Rentalic, and Open Shed) and were based in high-density urban areas, geographies including Sydney, Los Angeles, New York and London.

In-depth semi-structured interviews were conducted online via Skype. Discussion topics encompassed motivations and deterrents for renters and providers, reasons providers chose only to rent out their products, reasons renters chose only to rent products in, obstacles inhibiting non-users from using the system, and factors that may facilitate greater usage.

Transcripts were subjected to thematic analysis, whereby common themes were identified by recurrence, forcefulness and repetition (Keyton 2011). Coding was theoretically-driven as the literature revealed that reasons for and against sharing are embedded in social and cultural constraints (Hirschl, Konrad, and Scholl 2003; Mont 2004). Similar to Andreasen (2002), three categories of facilitating or inhibiting factors were identified: (1) Personal Influences (e.g., anticipated outcomes unique to the individual), (2) Societal Influences (e.g., social norms, cultural movements), and (3) Structural Influences (e.g., physical or legal barriers, situational factors).

# FINDINGS

## Personal Influences

Nearly all participants highlighted the financial benefits of P2P renting. Providers sought extra pocket money, while renters hoped to save money by avoiding the wasteful purchase of items they would rarely use; a finding consistent with Bolton and Alba (2011) who examined consumer aversion to unused utility. The behavior of some renters was also reflective of the findings of Locander and Hermann (1979), in that they described how they sought to trial products before making a high involvement purchase. This dissonance avoidance by 'renting before buying' is similar to the findings of Ozanne and Ozanne (2011) with sharing in toy libraries, and Lawson (2011) with reasons for renting from organizations. Many providers liked to think of P2P renting as a new form of disposition or recycling, where they no longer felt guilty about having "unused piles of stuff." Some participants (irrespective of user type) stated that they signed up to meet new people around the area, giving examples of friendships gained, similar to findings of Ozanne and Ballantine (2010) and Ozanne and Ozanne (2011).

Providers who chose only to provide (and not rent from others) indicated they perceived the act of renting as a waste of money, mirroring the results of Durgee and O'Connor (1995) with their exploration on renting behavior. All participants held a varying degree of mistrust when it came to fears of liability, risk and non-commitment, but the predominant hindrance to P2P renting emerged when participants reflected that it was not worth the time and effort. Renters found the inflexibility and limited access typically associated with renting (e.g., Tukker 2004) to be inconvenient, while providers complained about the arduous task of managing their stuff (e.g., posting product information, meeting the renter for both the drop-off and pick-up of an item, ensuring that damage did not occur, and "jumping through the hoops" of payment methods). Perceived inconvenience also diminished with the item's worth, as many participants stated they perceived P2P renting as being too much of a hassle for "smaller ticket items," with only more expensive items being worthwhile.

## Societal Influences

Nearly all participants noted how P2P renting was a more sustainable option than traditional consumption practices which focus primarily on private ownership. This finding is supported by research on non-ownership which has found that environmentalism is a prominent reason for renting from organizations (Lawson 2011) and sharing communally (Ozanne and Ozanne 2011). Although participants claimed some form of 'green' beliefs, the existence of an attitude-behavior gap (e.g., Moraes, Carrigan, and Szmigin 2012) was observed in this study, as many participants indicated that these motivations and influences were "added bonuses." It has been found that for sustainable consumption to be successful, motivations need to be embedded in personal gain. Specifically, people who participate in environmentally friendly alternatives do not always do so for environmental reasons, but instead for reasons of self-interest, including factors such as price, convenience, and a sense of community (Ozanne and Ballantine 2010).

No societal influences were raised as being deterrents throughout the interviews. Although some authors (e.g., Bosson, Prewitt-Freilino, and Taylor 2005) have highlighted how some types of consumption behavior can be negatively typecast as being 'hippie-ish,' participants in this study often spoke about how they viewed P2P renting as being more 'hip than hippie,' in that it was "a more valid commercial option" and that "it just [made] sense."

## Structural Influences

Many participants perceived P2P rental sites as hyper-local communities, where trust was easily given due to users describing themselves as demographically similar, and therefore trustworthy. Renters indicated that high urban density created the need for space saving, saying that opting to rent from others solved the issue of an overflowing closet. Indeed, the inclination to avoid such burdens of ownership (Berry and Maricle 1973) has been found to be a contributing motive for consumers to prefer renting (Moeller and Wittkowski 2010).

Frequent constraints included system inconvenience (e.g., too many clicks, poor organization of items) and western lifestyles (e.g., busy schedules, ingrained shopping habits, cheaper to buy than to rent). Providers complained that because of the ubiquitous nature of ownership and consumerism they often did not need to rent from others because they already owned everything they needed or wanted. Non-users were particularly constrained by structural influences, as potential providers complained that no one had yet requested their items, while would-be renters were disappointed by the site's lack of browsing and 'window shopping'

capabilities, as well as the limited number of items available to rent. Indeed, attracting rental customers has often been deemed difficult in the literature because they are so accustomed to ownership and are hesitant to shift towards non-ownership without prior experiences with this form of consumption (Rexfelt and Orn*ä*s 2009).

## CONCLUSION

This 'consumer behavioral revolution' deserves a chance to prosper and grow. As one two-way user stated, "it's all in a perfect world and I know the world's not perfect, but we can certainly work towards making it more perfect." By identifying three categories of facilitating or inhibiting factors which contribute to our understanding of P2P renting, this paper provides direction to stakeholders interested in this emerging groundswell of consumption behavior.

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# "Facebook Ergo Sum" - Brand Concepts and Brand Relationships in High Information Load Context

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## ABSTRACT

Strong competition and relatively similar products force businesses to create added value, mainly through a distinct brand concept offering image and identity to the consumers. The social media context is different than real life markets, and businesses need to take into account the huge amount of information available. Facebook information is mostly without any profound content, and this case study explores how brand specific communication surpasses the information load on Facebook among followers. The main findings are that symbolic brand concepts lose unique attributes, and strong brand relationships are detected among individuals with a very high information load.

## EXTENDED ABSTRACT

In this decade of social networking we metaphorically rephrase *Cogito ergo sum* (Descartes & Maclean, 2006) into *Facebook ergo sum*. Social media has exploded among individuals and businesses, and Facebook with 800 million active users has a huge influence on how we communicate with each other (Facebook.com, 2011). Facebook as a communication channel gives businesses a unique and powerful opportunity to get closer to the consumers. As more of a brand's marketing budget is finding its way into social media, managers need to be informed of the outcome on these investments. One important feature of brand equity is to improve marketing productivity by creating a sound connection between a customer and the brand (Keller, 1993). The social media context is different than real life markets, and businesses need to take into account the huge amount of information available. The information is mostly without any profound content, and we need to explore how brand specific communication surpasses the information load on Facebook. Hence, it is of substantial interest to study brand theories and flow of information through Facebook, considering the normative use of conventional brand theory in building brand value. The purpose of this study is to explore the effects of high flow of Facebook information on brand concept and brand relationships among followers.

For marketers it is important to understand the impact of information flow via Facebook as their brand message competes with all the information posted by any connections on a profile. There are two kinds of information loads on Facebook incorporated in this research: (1) the amount of personal connections, and (2) the amount of organizational connections within an individual profile. Consumers like organizations on Facebook because they care, and therefore they should be motivated to read communication messages from these organizations (Petty, Cacioppo, & Schumann, 1983). However, information load can influence brand elaboration. The brand literature describes three different concepts: (1) functional brand concept is designed to solve externally generated consumption needs, (2) a symbolic concept is designed to associate the individual with a desired group, role, or self image, and (3) experiential concept is designed to meet a consumer's internal needs for stimulation and variety (Park, Jaworski, & MacInnis, 1986, p. 136). Brand communication with elements from all three concepts will confuse the customers making them unable to perceive why one brand is better than all the others. Many consumers are excited to have a close dialogue with the brands they like best, although this close dialogue can affect the perceived brand concept directly since the dialogue has characteristics of a relational interaction between the brand and the consumer. This makes the concept of brand relationship the most suitable theoretical foundation in understanding how consumers perceive the brands they follow on Facebook (Fournier, 1998). Brand managers should not take for granted that any communication they provide for their followers will lead to a strengthened brand relationship, considering that information load might affect information elaboration.

Research questions rather than hypotheses were used to approach this explorative research. A general research question is posed to get an overview: *How can a high level of information load have an impact on brand concept and brand relationships*

*on Facebook?* Second, a question about changes in perceived brand concepts is addressed: *How can a consumer perceive the brand concepts as distinct when becoming friends on Facebook?* Thirdly, the flipside of information load and brand relationships is being explored: *Why would you consider to unlike a brand on Facebook?*

The design is an embedded single case study within Facebook, where high information load forms the research context and the three different brand concepts work as subunits. For each brand concept a purposive sampling is required, and selected participants will represent a follower with either high or low amount of organizational connections on their Facebook profile. The brands used in the study have active communication on Facebook and a substantial number of followers. The theoretical argument is that these brands reflect high brand awareness among the relevant participants for the study (Keller, 1993).

Empirical analysis revealed that high information load has a positive connection with brand relationship when individuals have high number of organizational connections. This relationship was negative for individuals in high information load context with few organizational connections. There is a tendency among Facebook users to make distinct choices of having organizational connections or not. The motivation for many organizational connections lies within product updates and new product development, whereas individuals with few organizational connections will not mix private and commercial interests. Further, symbolic concepts lose their brand communication advantages on Facebook. Symbolic products are perceived as either functional or experiential. The communication form of Facebook favors functional and experiential features of any products, and symbolic uniqueness may disappear. Pictures, video and links to external sites are perceived as the best communication for symbolic and experiential brands. Text update has a negative effect on all concepts, except functional. Even in high (self imposed) information load context, frequent brand updates leads to irritation regardless if you choose to "unlike" a brand or not. The frequency of communication has negative impact on Facebook; however individuals apparently keep the real brand and Facebook communication separated.

In sum, the communication of brand information on Facebook eats away symbolic brand images and concepts. Symbolic brands can lose their competitive advantage given that symbolism often is reinforced through exclusivity. The communication that consumers want on Facebook increases experiential qualities of symbolic brands. High information flow is not affecting brand relationships, and individuals with high number of organizational "likes" are more connected to the brand they like compared to individuals with few organizational "likes". A consumer does not stop to care about s/he preferred brands, even after s/he has "unliked" them on Facebook.

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# Theoretical Underpinnings of Brand Architecture Strategies: Using Models of Stereotype Change to Understand Sub-brands

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## ABSTRACT

Grounded on categorization and schema theory, this paper uses models of stereotype change (*conversion, subtyping, subgrouping*, and *bookkeeping* models) to understand how consumers evaluate different types of sub-brands including brand alliances, endorsed brands, dual brands and support brands. It is argued that a generally held stereotype is analogous to a generally held brand image, and that the development of a sub-brand's image, and the changes in the parent brand's image resulting from the creation of such sub-brands, would depend on the specific type of sub-branding strategy undertaken.

## EXTENDED ABSTRACT

Combining multiple levels of branding from top level corporate brands to bottom level product sub-brands, and creating linkages amongst them – generally known as brand architecture – is a powerful strategic tool for building strong brands (Aaker and Joachimsthaler, 2000; Lederer and Hill, 2001; Uncles et al., 1996). Researchers have identified several types of such architecture strategies using different terms to describe them, including endorsed brands, dual brands, support brands and brand alliances (Aaker, 1996; Keller, 1999; Rao and Ruekert, 1994). Grounded on categorization and schema theory, this paper uses models of stereotype change to understand how consumers evaluate sub-brands. Stereotypes are beliefs about the characteristics of a specific social group and are notoriously difficult to change (Kunda and Oleson, 1995). The models of stereotypic change developed to date are the conversion model (Rothbart, 1981), bookkeeping model (Weber and Crocker, 1983), subtyping model (Weber and Crocker, 1983) and subgrouping model (Maurer et. al., 1995). This paper argues that a generally held stereotype is analogous to a generally held brand image, and that the development of a sub-brand's image, and the changes in parent brand's image resulting from the creation of such sub-brands, would depend on the specific type of sub-branding strategy undertaken.

Although researchers in branding have identified several types of sub-brands, the author conceptualizes them into four different categories: *brand alliances* where two different brands owned by two companies are merged, *endorsed brands* where an established brand creates a new brand while providing some form of endorsement, *dual brands* where an established brand creates several sub-level brands with the parent brand dominating purchase decisions, and *support brands* where an established brand creates a large number of sub-level offerings in the form of modifiers, features and benefits.

## CONVERSION MODEL AS BRAND ALLIANCE

According to the conversion model (Gurwitz and Dodge 1977; Rothbart, 1981), people are swayed by salient instances which deviate strongly from expectancies. Stereotypes change drastically in response to dramatic instances but remain unchanged by minor changes. As Weber and Crocker (1983) suggested, a person's stereotype that Germans are efficient may be revised drastically if she/he encounters a German whose behavior demonstrates substantial inefficiency.

We posit that mergers and acquisitions (brand alliances) eventuating in an endorsed type brand – whereby brand elements (name, logo, color, etc.) from both companies are retained in some way as part of the overall brand elements (as in CitiStreet) – may be viewed as representing the conversion model, hence called *converted brands*. Brand elements as a whole are considered one of the most salient attributes of a brand (Keller, 1993). Sudden changes to such an attribute may change the brand image substantially. When a consumer finds his/her favorite brand (CitiGroup) being merged with another strong brand (StateStreet), the overall resultant image of the converted brand will change. Consistent and synergetic mergers and acquisitions may result in favorable image changes, while inconsistent and mistaken conversions may result in unfavorable changes.

## SUBTYPING MODEL AS ENDORSED BRANDS

Subtyping is defined as a "process by which group members who disconfirm, or are at odds with, the group stereotype are mentally clustered together and essentially set aside as exceptions to the rule" (Maurer et. al., 1995, p. 812). The process insulates the stereotype from change by isolating those instances that do not fit the stereotype. The disconfirming instances become their own 'group' and thereby pose no challenge to the preexisting belief structure (Hewstone et. al., 1994).

We argue that the process of subtyping represents the logic of endorsed brands such as Courtyard by Marriott. The endorsed brand 'Courtyard Hotel', serving as a disconfirming instance, is clustered together and set aside as a brand of its own, posing no challenges to the preexisting brand image of 'Marriott Hotel'. Developing endorsed brands may in fact strengthen the overall stereotype of the parent brand since, as the number of meaningful target segments increases, a specific endorsed brand could be developed for that particular market (Taylor, 1981).

## SUBGROUPING MODEL AS DUAL BRANDS

Subgrouping as a process that promotes stereotype change, is defined as "organizing information into multiple clusters of individuals who are similar to one another in some way and different from other group members" (Maurer et al., 1995, p. 813). In contrast to the subtyping process, the subgrouping process involves not only a group member's tendency to disconfirm the group stereotype but also the manner in which the individual confirms the stereotype. Subgrouping entails an increase in 'perceived variability' as perceivers think about the superordinate stereotype in terms of clusters of individuals (Maurer et al., 1995).

In this research it is argued that the subgrouping model represents dual brands where the parent brand dominates the sub-brand, as in Nivea Visage and HP DeskJet. For example, as a range of dual brands is developed by HP, the perceived variability of the HP image increases, reflecting some change in that image while allowing the sub- brands to be created under its shadow.

## BOOKKEEPING MODEL AS SUPPORT BRANDS

In the bookkeeping model (Rothbart, 1981), gradual modification of stereotypes occurs by the additive influence of each peace of disconfirming information. Evidence that is relevant to the stereotype is noted and used to fine-tune it. Any single piece of disconfirming information elicits only a minor change in the stereotype; substantial change occurs gradually with the accumulation of disconfirming instances deviating systematically (Weber and Crocker, 1983).

The authors contend that the bookkeeping model represents support brands including features, benefits, and modifier brands. As these types of sub-brand are introduced, consumers note any 'disconfirming' brands while fine-tuning the overall image of the parent brand. Over time, introduction of a significant number of such support brands would lead the consumer to change the overall brand image of the company to a more heterogeneous image. The bookkeeping model does not necessarily suggest that the purpose of creating support brands is to tap into new product /segment contexts.

The implication of the preliminary phase of this study is that designers of brand architecture strategies should pay serious attention to the type of sub-brand offered, as different types of sub-brand have different effects. For example, a parent brand intending to create a broader base by generating a diversity of associations should create a number of dual brands rather than endorsed brands, while a parent brand which intends to preserve its set of associations should develop a range of endorsed brands, to tap into different product markets. Subsequent phases of this research project involve developing refined hypotheses based on the stereotype models and testing them using an appropriate sample with some representative sub-brands.

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# I Designed the Avatar Myself: The Role of Implicit Egotism in Virtual Co-Creation

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## EXTENDED ABSTRACT

As e-commerce experience tremendous growth, the use of interactive tools like "Avatars" (Appiah and Elias 2009; Holzwarth et al. 2006) are adopted by retailers to engage consumers with distinctive virtual shopping experience. An Avatar refers to a humanized 2D or 3D virtual image that companies use as company representatives, personal shopping assistants or as website guide (Holzwarth et al. 2006). Due to its unique nature, the most intriguing issues pertaining Avatars are, how does Avatar exert influence on website perceptions and advertising contents? (Nowak and Rauh 2006; Wang et al. 2007). Past study focus on "retailers-made" Avatar, while studies regarding "self-designed" Avatars are limited. Since the importance of consumer empowerment has escalated, consumers are now regarded as value co-creators (Bonsu et al. 2008). Therefore, untapping the role consumer plays in self-designed Avatars can be of enormous value to marketers and researchers. This research is aimed to fill this research gap.

In the past many studies have contended that egotism works at diverse levels to influence attitude. Most people possess highly unconscious favorable associations about themselves that result in a preference to self-relevant objects (people, places, and things), known as "*Implicit egotism*" (Pelham et al. 2002). This unconscious bias facilitates assimilation effect toward contexts that are activated by self-relevant objects. This study therefore investigates whether a self-designed Avatar generates a more favorable self-association to a website or purchase intention in comparison with retailer-made avatars. On the other hand, the "feeling of presence" which indicates a sense of being present in the virtual world plays a fundamental role for designing human–computer interactions (Biocca 1997). Therefore by building on the conceptual foundation of "*Implicit egotism*", present study attempts to reveal the underlying mechanism of self designed Avatars and its effect on the feeling of presence in building favorable attitudes.

## LITERATURE REVIEW

Self-designed Avatar indicates "consumers can input information regarding measurements, body shape, hair style, face, eyes and so forth to create a virtual model similar to consumer themselves" (Crete et al. 2009, p.93). Shopping with self-designed Avatars in virtual worlds differs distinctively from traditional retailer-made avatars, because self-designed Avatars provide consumers opportunities to develop the sense of virtual self (Nowak and Rauh 2005). Consumers can create virtual characters that not only display their own personalities but also incorporate other elements that they truly desire. As a result, self-designed Avatars become a digital representation of one's persona for self representation.

As proposed by Pelham et al. (2002), implicit egotism is an unconscious bias which assimilates favorable self-association to the self-related objects (people, place, careers, and teas). Implicit egotism eventually yields positive results in attitude and behaviors, and thus generates the spillover effect to the background or context that self-relevant objects are embedded (Pelham et al. 2002). Drawing on the aforementioned theoretical positions to Avatars, present study proposes that a self-designed Avatar which enables consumers to create whoever they want to be to represent their selves will eventually evoke individuals to generate a more positive response to the digital self-representation. It is reasonable to expect that implicit egotism will impose a significantly greater effect on a self-designed Avatar than that of a retailer-made Avatar. The reason is because a self-designed Avatar is psychological more self relevant than a retailer-made Avatar. Hence it is hypothesized that the assimilation effect will occur when the object is a self-designed Avatar. Furthermore spillover effect will occur when the positive evaluation is transferred to the website and their purchase intentions. Therefore,

**H1:** Consumer's evaluation of the Avatar, website and purchase intention should be more positive for self-designed Avatar than for the retailer-made Avatar.

Numerous studies indicate that the "feeling of presence" is crucial for interaction among computers and human (Biocca 1997; Klein 2003). It is inferred that the transformation of a consumer into a virtual Avatar intensifies the feeling of self-presence

in a virtual realm. In other words, a virtual Avatar serves as a trigger to create a sense of feeling that an individual is actually transported into a virtual world. It is hypothesized that this effect should be manifested for consumers who engage in self-designed Avatars, since self-designed Avatars better represent virtual selves than retailer-made Avatars. Therefore,

**H2:** The feeling of self presence is stronger for the self-designed Avatar than the retailer-made avatar.

**H3:** The effect of avatar on the website, Avatar and purchase intention is mediated by self-presence.

## METHOD
### Stimuli, Participants and Procedure

An experimental study using a 2 x 2 between-subjects design will be conducted. Participants are asked to take part in a shopping task on the website where a hyperlink to FreeStyleShooping.com is provided as the hypothetical shopping website. For the self-designed Avatar condition, participants create their own virtual model for men or women where they can input measurements, hair style, skin color, five sense organs, and figures to create their own looks. For the retailer-made Avatar condition, participants are told the FreeStyleShooping.com provides Avatars as personal shopping assistants. After twenty minutes, a pop-up window on the screen leads participants to answer the study questionnaire which includes the feeling of presence modified from Klein (2003), attitude toward the avatar adopted from Appiah and Elias (2009), website perceptions adapted from Sundar and Kalyanaraman (2004), and purchase intention modified from Dodds et al. (1991).

## DISCUSSION

This study contributes by revealing the underlying mechanism of self-designed Avatars. The results provide support to hypothesis which verifies that self-designed Avatars should be used in design of novel interactive communication tools. The result confirms that consumer's evaluation of the Avatar, website and purchase intention will be more positive for self-designed Avatar than for the retailer-made avatar. Furthermore, in line with the findings of Klein (2003), the anticipated result should confirm that the "feeling of presence", plays a crucial role in effecting self-designed Avatars. Present research provides significant managerial implications for marketers to illustrate that the integration of self-designed elements into Avatars promotes considerable value in virtual co-creation.

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# How Does Luxury Fashion Purchase Affect Tourists from Mainland China?

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## EXTENDED ABSTRACT

Tourism is a vital sector in economic development of many countries. As of Hong Kong, it has become one of the most popular tourist destinations worldwide after the handover in 1997. Notably, Mainland China has become the most leading source of tourist for Hong Kong, accounting for almost 70% of the total visitor arrivals in 2011. Chinese tourists are welcome by many luxury fashion retailers because they are unsparingly spending in shops. Even President Barack Obama has planned to speed up the U.S. visa application time for these shoppers attributing to their unimaginable potential in boosting the retail sales, which in turn will provide jobs and generate income for the U.S. people (Lutz 2012 Feb 9).

In spite of the significant contribution of mainland tourists in international retailing of luxury fashion, little discussion has been made about the relationship between tourism and fashion. This study explores how psychological factors motivate the purchasing behavior of mainland tourists in buying luxury fashion in Hong Kong. The four major research objectives are (1) measuring mainland tourists' overall perception of luxury fashion; (2) inductively identifying the influential factors determining their fashion buying behavior; (3) formulating a framework of constructs for the underlying fashion buying theories through the qualitative method of grounded theory developed by Glaser and Strauss (1967); and (4) providing insights for fashion retailers and further studies focusing on this strategically important area.

The specific research questions include:

(i) What are their perceptions of luxury fashion products?

(ii) How do Chinese tourists evaluate luxury fashion products before making a purchase decision?

(iii) What are the psychological factors affecting their buying behavior?

Tourism literature normally reveals that quality, service and variety are the most influential factors among mainland tourist shoppers in Hong Kong and research studies embedding emotional factors in study models have been identified. However, these studies only cover general shopping pattern, without specifically analyzing image-driven luxury fashion products. According to literature about fashion consumption, five types of perceived values can be identified: a) conspicuous value to express status and wealth; b) hedonic value to satisfy emotional desire; c) unique value to represent individualistic style; d) social value to symbolize group membership; and e) quality value to express transcendence of production craft. Fashion is a conspicuous item to express one's self image and satisfy a sense of vanity. In cultural context, Chinese consumers purchase luxury goods mainly for 'face' and assuring social status. International fashion brands have gained continuous support from loyal customers who enjoy buying exclusive and prestigious products.

An induction-based qualitative methodology was adopted. It formulated grounded fashion theories of mainland tourists visiting Hong Kong. This method generates an integrated explanatory theory that reflects reality in human behavior (Glaser 1992; Guba and Lincoln 1981; Strauss and Corbin 1994). Buying behavior involves symbolic interaction which act as a base to convey meanings to a phenomenon through experience and social interactions (Denzin 2001).

Both purposive and theoretical sampling methods were employed. Mainland tourists who viewed shopping as major visiting purpose and had bought fashion items on their trip were invited for individual interviews. Theoretical sampling was then applied to collect, code and analyze data from different sources through an iteration process. Over a period of 6 weeks, a total of 40 respondents accepted the interviews in different places at different times. Each interview took about 15 minutes and its contents were recorded and accompanying notes were taken. A one-page questionnaire was used to collect their demographic data. These methods were employed to optimize credibility, transferability, dependability and confirmability of the collected data.

Data sorting, open coding, constant comparative analysis, theoretical coding and data analysis presentation were involved in data analysis. Data collected were transcribed into a word processing programme and sorted into categories. For example, the responses on the "perception of luxury fashion",

and "psychological factors" were grouped into the first and second category. Coding was begun with the identification of initial abstractions for the data collected from interviews and on-site observations. According to the coding method adopted by Burns (1994), each abstraction were assigned to a code name and categorized into themes. For example, codes under "perception of luxury fashion" included "personality reflection". All the abstractions were compared and contrasted until all codes and categories were mutually exclusive. Memos were written to strengthen theoretical sensitivity in developing grounded theory. The results were presented in checklist matrices, framework of factors and grounded fashion theories. By using the "causal-consequential model" (Glaser 1978), theoretical framework of factors affecting their fashion buying behavior were developed.

Major findings show that the respondents regarded (1) personality/self image reflection; (2) confidence enhancement, and (3) social status expression, as major perceptions of luxury fashion. The top evaluative criteria were product style and brand. Most fashion-conscious tourists were brand loyal. Their purchasing behavior was prestige-oriented and considerably determined by psychological factors, including values, personality and culture. Conspicuous and hedonic values were found to be significant for those tourists having a higher level of income and education. They enjoyed consuming luxury fashion to signify affluence. Symbolic value motivated them to express product uniqueness and social status through the consumption process. Utilitarian value was influential to those pragmatic tourists who purchased affordable luxury goods to meet actual needs.

Based on these, significant factors affecting this purchasing pattern can be investigated in future studies with respect to the impact of values, personality, culture and brand loyalty. The research focus can be narrowed down into distinct areas in differentiating tourists from different cities. This research serves as the first step to study these big spenders' buying behavior in high-end retailing. Forthcoming quantitative studies will complement the qualitative approach. Provided the Chinese tourist market will be continuously increasing in different countries, it is expected to develop theoretical framework to explain their buying behavior in the future analysis. It is believed that this study can provide valuable insights to both fashion and tourism industries.

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# What makes desire for touch strong?: Investigation of individual determinants of desire for touch

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The purpose of this study is to examine individual determinants of desire for touch. The role of touch in marketing is an important emerging area of the study of consumer behavior. Previous studies have revealed that the tactile characteristics of products have a significant effect on product evaluation (e.g. Grohmann et al. 2007; MaCabe and Nowlis 2003; Peck and Childers 2003a; Krishina and Morrin 2008), confidence about product evaluation (Grohmann et al. 2007; Peck and Childers 2003a), perceived ownership of a product (Peck and Shu 2009; Wolf et al. 2008) and the persuasion of consumers (Peck and Wiggins 2006, 2011). This shows that touch is an important factor for increasing perceived quality and purchase likelihood.

Prior studies also indicate that individual differences exist in desire for touch (Citrin et al. 2003; Peck and Childers 2003a, 2003b). Citrin et al. (2003) developed the "Need for Tactile Input" (NTI) scale and found that degrees of NTI negatively affect evaluation of an online shopping experience. Peck and Childers (2003b) developed a more elaborated scale, the "Need For Touch" (NFT) scale. The scale consists of two dimensions: Instrumental (I) and Autotelic (A) NFT. INFT refers to the rational aspects of desire for touch, originating from goal-directed motives to play a role in making judgments. Meanwhile, ANFT is the emotional aspect of desire for touch, hedonic drive to elicit positive feelings (e.g., fun, interest) by touching a product.

Several studies adopted NFT scales to examine the effect of touch on product evaluation (Peck and Childers 2003a, 2006; Peck and Wiggins 2006, 2011). These studied confirmed that "high-NFT" consumers were more frustrated and less confident in product-evaluation settings when they could not touch a product. It was also found that touch elements unrelated to product attributes (e.g., a feather) increased persuasion for high-ANFT but not low-ANFT consumers.

These studies suggest that desire for touch is an important factor mediating the effect of touch on product evaluation and in predicting and understanding consumer responses to touch. However, it is not known what consumer characteristics cause individual differences in desire for touch.

To examine the individual determinants of desire for touch, in this study we focused on three variables: materialism, consumer self-confidence and gender.

Materialism is the importance a person attaches to possessions and acquisition (Belk 1984; Richins and Dawson 1992). Materialists are eager to own material goods, in the hopes of compensating for insecurity and finding happiness (Chaplin and John 2007). According to Pierce et al. (2002), human beings exhibit not only legal ownership but also psychological ownership, a state where an individual feels that a material good is his or hers without having legal ownership of that good. In an experiment on the "endowment effect," Lens and Pandelaere (2009) showed that materialists demand a higher selling price for a given coffee mug than do less materialistic subjects. This implies that materialism is highly related not only to legal but also to psychological ownership. In addition, some studies have found that the mere touch of an object can increase the psychological ownership of that object (Peck and Shu 2009; Wolf et al. 2008). From these studies, we expect that materialists will have higher desire for touch than less materialistic consumers. This leads to Hypothesis 1:

H1: Consumers that are highly materialistic will demonstrate a higher desire for touch than will less materialistic consumers.

The second variable is consumer self-confidence (CSC). CSC is the extent to which an individual feels assured in making purchase decisions (Bearden et al. 2001). It is expected that low-CSC consumers will feel less confident than will high-CSC consumers. They will have the strong need to familiarize themselves with a product's extrinsic cues to compensate for their deficiency. Studies have found that the touch of a product can increase confidence in consumer product evaluations (Grohmann et al. 2007; Peck and Childers 2003b). Thus, we expect that low-CSC consumers will indicate higher desire for touch than will high-CSC consumers. This leads to hypothesis 2:

H2: Consumers with low-CSC will indicate higher desire for touch than will those with high-CSC.

Gender is the third variable examined in this study. Schifferstein (2006) demonstrated that women rate the importance of five particular modalities in product evaluation higher than men do. Other studies have shown that women indicate higher desire for touch than men do (Citrin et al. 2003; Workman 2010). From these studies, we expect that desire for touch will be higher in women than in men. This leads to hypothesis 3:

H3: Desire for touch in women will be higher than in men.

To test these hypotheses, we conducted a survey with 344 Japanese undergraduate students. Participants were asked to rate desire for touch of products in a shopping context using an NFT scale. We also measured materialism with the material-values scale developed by Richins (2004), CSC with the CSC scale developed by Bearden et al. (2001), and recorded gender.

Three-way ANOVAs were conducted on materialism (high vs. low), CSC (high vs. low), and gender (male vs. female) as independent factors and each NFT and NTI as a dependent variable.

The results indicated significant main effects on NFT of materialism $(M_{high} = 4.24$ vs. $M_{low} = 3.79; F(1, 204) = 8.495, p < .01)$ , CSC $(M_{high} = 3.83$ vs. $M_{low} = 4.20; F(1, 204) = 5.848, p < .05)$ ,and gender $(M_{male} = 3.83, M_{female} = 4.20; F(1, 204) = 5.636, p < .05)$ . We also confirmed main effects of the three factors on NTI. These results support all three hypotheses. In addition to the main effects, an interaction between materialism and gender $(F(1, 204) = 6.130, p < .05)$ was also found.

To our knowledge, this is the first study to directly examine the individual determinants of desire for touch. Our study shows that materialism, consumer self-confidence, and gender are significant determinants of desire for touch. We also find that, unlike women, the degree of desire for touch among men is different by level of materialism.

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# Creating Life-stories Creating Happiness: Autobiographical Memories and the Psychological Mechanism of Consumers' Long-Lasting Self-Brand Connections

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## INTRODUCTION

Autobiographical memory is a memory system consisting of episodes recollected from an individual's life. The critical concept of autobiographical memory theory is the notion that autobiographical memories are related to the self and have personal significance (Conway 2005). It is of fundamental significance for the self, for emotions, and for the experience of personhood; that is to say, autobiographical memory is significant for the experience of enduring as an individual, in a culture, over time (Conway and Pleydell-Pearce 2000). Although research about autobiographical memory is conducted in many different subareas of psychology, most prominent among them cognitive, social, developmental, clinical, and neuropsychology, research findings within consumer psychology are still rare.

Investigating connections between consumers and their brands, scholars have demonstrated that the self-brand connections exist and can lead to positive attitudes towards brands (Escalas 2004; Escalas and Bettman 2005). Much research has sought to account for the reasons why consumers connect to a specific brand or organization. However, the reasons are still unclear and the existing research largely focused on the link between brand and consumers' self-concept.

This study focuses on consumers' long-lasting self-brand connections and autobiographical memories. Among individuals, long-lasting relationships ensure health, satisfaction, and security. They also create positive feelings between the two individuals involved (Meunier and Baker 2012). With relation to businesses, building and sustaining long-term relationships with customers is essential for brand management (Kapferer 2008). This study initiated from preliminary in-depth interviews with a consumer group of a high brand-commitment level; their stories with brands displayed long-lasting ties and autobiographical characteristics beyond just momentary experiences. In accordance with this phenomenon, the purpose of this study is to explore a set of underlying psychological mechanisms for developing long-lasting self-brand connections through analysis of their autobiographical narratives.

## METHODOLOGY

Given the relative specificity of this line of discovery-oriented research, we designed this study to be qualitative and inductive in nature. After screening tasks, Involuntary Autobiographical Memory (IAM) interviews were conducted with twelve female participants (those with high levels of self-brand connections, long-term relationships with a specific brand that have lasted between 17-39 years, and the ages of 26 to 63). Interviews lasted from 2-6 hours.

This study used a grounded theory approach. Data collection and analysis followed an iterative process and the analytic techniques offered by Strauss and Corbin (2008) were used to arrive at themes. The hierarchical category system was also used to create the emergent model describing the development of long-lasting self-brand connections. Based on broader theoretical and empirical literature in psychology and psychoanalysis, we chose the psychoanalytic notion of *self-representation* first and used it as the unit of analysis. Self-representation is the psychological entity that is accomplished in the brain and mind, and refers to the image humans have of themselves based on their own interpretations (Paivio 1990).

## RESULTS

Results of this study were divided into significant themes and dimensions to create the emergent visual model. Three emerging themes were as follows; first, self-brand connections emerged from the momentum of a dramatic semantic episode that involved rising self-development, happiness, and prosperity. The highest positive self-representation was concurrently etched in their minds, which became the source of all phenomena. The second theme concerned the fixation on this highest instance of positive self-representation. Consumers tended to adhere to this mental representation, and used it as the driving force of developing self-identities and enhancing happiness across the life-span. It was, most intriguingly of all, linked to the process of creation of their life-stories. Third, some degree of obsession was embedded in the self-brand connections, with significant investments of time, energy and attention dedicated to the brand;

Consumers yearned strong attachments to the brands and some even passed down this connection to their children as a legacy. This process led to consistent repurchase over long periods of time.

This study also drew three dimensions that consisted of an internal working model of long-lasting self-brand connections: self-motive, emotion, and the reemergence (or reproduction) of positive self-representation. Self-related motives were fundamental, unconscious reasons and acted simultaneously as kinds of social motive in communicating within the self, brand, and real world. Semantic memories with the specific brands held an emotional power, and consumers felt especially connected with the brands when recalling such memories. The most common emotion expressed was *happiness*; it was socio-emotional responses beyond hedonic or physiological responses. Self-motives had effects on the type of emotion and the reemergence of positive self-representation. The strength of emotions had effects on the reemergence rate of positive self-representation and the loyalty spectrum. Collectively, thematic results and dimensions supported the psychological mechanism of long-lasting self-brand connections.

## DISCUSSION & IMPLICATION

This study explored qualitatively the consumers' autobiographical memories, which encompassed time, self, brand, episode, and life. We also demonstrated the psychological mechanism of long-lasting self-brand connections inductively and hierarchically. The highlights of our findings are as follows; 1) the essential role of positive self-representation as the driving force of developing long-lasting self-brand connections, 2) the fact that consumers create life-stories related to the brand through their autobiographical memory system, and 3) happiness as the critical mediator of future behavior as well as the purpose of self-brand connections.

This research is significant in its exploration of an important yet an under-studied phenomenon in consumers' autobiographical memories and long-lasting ties with the brand. Consumer and brand sometimes share the same path in life. Long-standing relationship is priceless. We expect that this study will support foundation for companies to attain the ultimate achievement of authentic long-lasting relationships between consumers and their brands. With the emergence of consumer-generated advertising and user-generated branding (Arnhold 2010), findings of this research provide insights into the key facets of facilitating engagement and the underlying processes of consumer-brand connections.

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# Getting Into the Life Worlds of Informants through Reflexive Practice

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This research examines the significance and value of evoking informant self reflexivity within the interpretive research process, where the researcher will use a multi-method research design and questioning strategy that encourages informants to become self reflexive. The value of evoking informant self-reflexivity within the interpretive research process is considerable as it results in richer interpretive data. Theories relating to reflexivity have been discussed across a variety of fields, from philosophy and the natural sciences to sociology and psychology (Foucalt, 1970; Latour, 1988; Gouldner, 1970; Heidegger, 1966; Ashmore, 1989). However within consumer research discussions related to reflexivity have tended to focus on the importance of the researcher maintaining reflexivity, as a route to achieving an improved understanding of the overall research process, as well as remaining unbiased (Bettany and Woodruffe-Burton, 2009). Whilst previous research has focused more on guided introspection (Wallendorf and Brucks, 1993); storytelling and narrative (Brown and Reid, 1997); and on the notions of power within the researcher-researched relationship (Bristor and Fischer, 1993; Woodruffe, 1996); our paper takes a slightly different angle from this work. Instead, we focus more on evoking informant self-reflexivity because this could be an efficient and effective way of collating richer, in-depth data in the research process. Given that the importance of informants being self reflexive throughout the research process and acting as co-researchers has been overlooked by consumer researchers, we believe that informants can also be encouraged to start thinking about their thinking (Johnson and Duberley, 2003), thereby encouraging them to question their own consumption experiences, as well as providing a credible critical approach to the insights obtained from the phenomena under investigation.

Lynch (2000) suggests that "reflexivity is a central and yet confusing topic, it is an essential human capacity, in others it is a system property, but for some it is a critical, or self-critical, act" (p. 26). Nevertheless when incorporated into a methodology it is seen as being a source of superior insight and awareness (Lynch, 2000). Moreover self-reflexivity is concerned with understanding "the grounds of our

thinking by opening ourselves to the hidden nature of truth" (p.36). Within consumer research there is a persuasive argument devoting greater attention to researcher reflexivity (Bettany and Woodruffe-Burton, 2009). Indeed reflexivity is a way of improving our understanding of the actual research process (Wallendorf and Brucks, 2003).

It is important to emphasise that the notion of informant self-reflexivity is not a relabeling of previous research, but rather, it sets a new agenda of trying to understand how evoking informant self-reflexivity within the interpretive research process can lead to richer and in-depth interpretive data. We draw insights from two longitudinal studies that were carried out over a two and a half year period. Study 1 looked at how computer culture was mediating Sikh courtship rituals and study 2 investigated the embedded meanings that were experienced by young individuals through everyday food consumption practices. Study 1 was conducted in four stages and focused on understanding the informants and encouraging them to provide in-depth data by evoking informant self-reflexivity. Stage 1 was carried out through a netnographic approach (Kozinets, 2002) which consisted of online observations of participants (aged 22-35) of the case study (shaadi.com). Stage 2 concentrated on the third generation of the British Sikhs and involved participant observation, netnography (Kozinets, 2002), in-depth face to face interviews and auto-ethnographic accounts. Stage 3 evolved dependent on emergent constructs from the previous stage and involved online and offline interviews with the third generation of British Sikhs. Stage 4, the final stage involved online interviews with the third generation and participant observation. In total the dataset consisted of 15 online interviews, 15 face to face interviews, online participant observation, auto-ethnographic accounts and substantial field notes.

Study 2 was carried out in three stages. Here, stage 1, consisted of observations and participant observations of young children. Stage 2 focused on conducting face to face interviews as well encouraging informants to keep visual diaries and online interviews. Stage 3 consisted of a large number of observations and participant observations. The final data set for this particular study included

7 online interviews, 15 offline interviews, 23 visual diaries, participant observations and extensive field notes. Both studies adopted a theoretical sampling approach which requires continually, comparing and contrasting the data being collected and seeking informants on the basis of the emergent constructs, in line with Cresswell (2007). The analysis and interpretation of the data developed in a step by step iterative and incremental manner across the online and offline research environments and followed the Spiggle's (1994) recommendations on the analysis and interpretation of qualitative data.

There were three key themes that materialized in answer to our research question, 1) the significance of evoking informant self-reflexivity as a means to a thick data description, 2) evoking informant self-reflexivity that results in the researcher and the researched, co-researching and 3) informant self-reflexivity as a contribution to data triangulation.

A key theme that emerged as a result of evoking informant self-reflexivity was the rich data and "thick description" (Geertz, 1973) that resulted from evoking informant self-reflexivity. One key feature of online interviews is that the young British Sikh informants in study 1 had the opportunity to read their own responses. As they did this, they were able to reflect on their views. This encouraged them to delve deeper in their responses and the data that they provided. This enabled them to provide more emotive and deeper insights into their consumption practices. Similarly in study 2, as young informants looked back at their visual diaries, they became highly sensitive to the feedback that they were providing and this encouraged them to search deeper within themselves and therefore provided a thick description of their feelings and emotions.

Another important theme to emerge was encouraging informants to act as co-researchers. Study 1 found that by encouraging informants to delve deeper into their thought processes and emotions throughout the interviewing process, informants began to feel more comfortable with the research environment and were therefore more actively participating in the research process itself. In fact at times informants were comfortable enough to direct questions at the researcher. Study 2 also found that the use of visual diaries and online interviews pushed informants to become self reflexive and more involved in the research process. Therefore participants felt more comfortable to act as co-researchers as well as the researched.

A final theme to emerge was the significant contribution to data triangulation and reliability. By encouraging informants to become more self reflexive and delve deeper into their thoughts and emotions, study 1 found that encouraging informants to become co-researchers ensured that the data they provided was reliable and true, therefore contributing to data triangulation. Moreover study 2 found that by encouraging informants to reflect on their video diaries they were able to assess whether the video diaries were a true representation of their thoughts and emotions, therefore contributing to the process of data triangulation and reliability. This demonstrates that evoking informant self-reflexivity is not only acceptable, but essential for deeper understanding of consumer behaviour research.

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# The Higher the Price the Better the Results? The Placebo-Like Effects of Price and Brand on Consumer Judgement

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## EXTENDED ABSTRACT

A placebo has been defined in medical literature as "a substance or procedure that has no inherent power to produce an effect that is sought or expected". The effects of using a placebo, essentially a sugar pill, have been observed in numerous medical studies from relatively benign maladies, such as warts and the common cold, to more serious diseases, such as diabetes, angina, and cancer (Kirsch 1997). Shiv, Carmon, and Ariely (2005) demonstrated that price was a salient piece of information because it affected behavior. They document for the first time that nonconscious expectations about the relationship between quality and price can impact consumers in a placebo-like manner. Even when the price paid for goods has absolutely no relationship to its actual quality, consumers' nonconscious beliefs about the price–quality relationship change their actual experience for the good.

This research extends Shiv et al.(2005)'s findings and tries to investigate two additional moderators such as deliberation level and self-confidence. Beyond the obvious theoretical importance, this would be significant from a practical viewpoint to investigate how to increase or reduce the placebo effects. Two experiments were conducted. In experiment 1, one hundred and twenty undergraduate students in a computer lab were recruited in exchange for a course credit. Participants were led to a private cubicle that contained a personal computer and a prepared piece of chocolate. They were told before the experiment that chocolate can improve people's short-term memory. Participants were randomly assigned to one of two conditions: In the regular price condition, the price of a box of Truffaut's chocolate, was tagged NT$1000. In the discount price condition, the same box of chocolates was tagged NT$300, 70% off of NT$1000. An online memory test was conducted after participants ate the same chocolate tagged by different prices. Eight invalid samples were excluded because of wrong answers for the price. A 2(price: regular vs. 70% off discount) × 2(deliberation: high vs. low) between-subjects ANOVA was performed. For the measurement of the deliberation process participants were asked to write down the product knowledge of which chocolate they ate as a moderating variable in this experiment. Deliberation was divided into two groups (median score).

The result revealed a main effect of price ($F(1,109) = 6.91$, $p < .01$) on the performance of short-term memory task. Memory performance was lower when the price was 70% off ($M = 14655.18$, $SD = 5015.63$) than when it was the regular price ($M = 16451.77$, $SD = 5033.45$). More importantly, there was a marginal interaction effect of price and deliberation ($F(1,109) = 2.82$, $p < .1$). Participants with low deliberation achieved a higher memory performance in the regular price condition ($M = 16025.71$, $SD = 4743.07$) than in the discounted condition ($M = 11966.67$, $SD = 4552.51$). For people with high deliberation, there was no difference of memory performance between the regular price condition ($M = 17161.90$, $SD = 5530.05$) and the discounted price condition ($M = 16268.29$, $SD = 4621.69$).

Experiment 2 examined whether and how self-confidence would have further impact on the placebo-like effect of brand. One hundred and eighty-eight undergraduate students were recruited in exchange for a lottery coupon. Participants were assigned to one of the experimental conditions in a 3 (brand equity: high vs. medium vs. low) × 2 (self-condition: high vs. low) between-subjects design. The procedure of experiment 2 was the same as experiment 1. The experimental product was three different brands. Three brands, Truffaut's from France, 77 from Taiwan, and Meiji from Japan, were tagged as placebo-like brands. After tasting the manipulated chocolate, participants were asked to fill out the self-confidence scale. The manipulation check of brand equity showed a significant difference among conditions ($M_{Truffettes} = 4.5$, $M_{77} = 3.2$, $M_{meiji} = 3.9$; $F(2,182) = 3.14$，$p < .05$). Post hoc tests showed that all means were different at the .05 level.

An ANOVA with performance of a memory task as the dependent variable, and brand (Truffaut's vs. 77 vs. Meiji) and self-confidence (high vs. low) as independent variables revealed a significant main effect of brand ($F(2,182) = 9.14$, $p < .01$), with the high brand equity leading to higher memory

performance than the medium and low brand equity conditions ($M_{Truffettest}$ = 17413.56, $M_{77}$ = 14544.62, $M_{Meijig}$ = 16742.19). The memory performance at the three different levels of brands indicated that the higher the brand equity, the greater the memory performance. This effect was also qualified by a marginally significant interaction between brand and self-confidence on the memory performance ($F(2,182) = .24\ p < .1$). The high and medium levels of brand equity increased the performance when self-confidence was high ($M_{Trffettest}$ =18440.00, $M_{Meiji}$ = 17291.43) compared to when self-confidence was low ($M_{Trffettest}$ = 16658.82, $M_{Meiji}$ = 16079.31). However, the effect of self-confidence decreased the performance when the self-confidence was high. In sum up, self-confidence is a positively intrusive distraction that creates a sense of motivation.

The results were robust and consistent with Shiv et al.(2005) and Irmak et al. (2005). The findings provide compelling evidence that marketing activities (e.g., price and brand) can lead to substantial placebo effects. The placebo-like chocolate was capable of raising short-term memory, increasing physical reflexes and arousing mental alertness. Stewart Williams and Podd (2004) demonstrate that two main models of the placebo effect: expectancy theory and classical conditioning. According to expectancy theory, placebo effects are mediated by explicit (consciously accessible) expectancies. In contrast, according to the classical conditioning approach, they are conditioned responses (CRs). An interesting aspect of Shiv et al.'s work is the demonstration that marketing placebo effects can occur largely nonconsciously. Whereas the motivation that drove the placebo effect we observed in our research was conscious, it seems highly likely that the mechanism through which it operated may also have been nonconscious. A focus for future research should be to investigate the circumstances under which a placebo effect will be cognitively mediated and when it will not.

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# Preference for Print Book over E-Book: A Material Possession Love Perspective

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## ABSTRACT

In this study, we examined the complexity of consumers' relationships to print books which indicates an intricacy relationship that is entrenched in attachment. Drawing from the theoretical conceptualization of material possession love (Lastovicka, Sirianni, 2011), this study obtained results explicating dual routes of attachments drive the love for print books, whereas physical attachment via rituals and psychological attachment serve as the underlying mechanism. By using both qualitative research and quantitative research we obtained results that overall supports the proposed model. The implications of the research were discussed.

## EXTENDED ABSTRACT

As the popularity of iPad and Kindle Fire surges, many consumers are moving reading from page to screen. With the internet as today's defining technology for reading and communication, will digital readers replace print books? This provoke debates regarding the difference of experience that reading books online elicits and the kind of focused engagement with text that can only possibly be instigated with print books. Furthermore, there are no pages on the e-book. In replacement of turning pages is a progress bar. It's a very different emotional feeling than having a print book in your hand. The complexity of consumers' relationships to material possession indicates an intricacy user's relationship that is entrenched in attachment. Scholars have long been interested in emotional bonds that exist between consumers and their possessions (Kleine and Baker, 2004). Yet, limited research examines the nature of attachment behind material possession love within the context of print book and e-book. This research is aimed to fill this research gap.

Past researches indicate the routes to material possession attachment are embedded in the characteristics of both possession and consumer. The physical features of the possession, such as the feel, the look, the scent (Townsend, Ariely and Sood, 2010) and ritual (McCracken 1988) makes substantial difference in the alleged meaning of the possession. On the other hand, consumer characteristics such as affiliation which reflects a person's desirable connections with others indicate an association with possession love (Kleine et al., 1995). The objective of this research is to expand knowledge on the above dimensions. Drawing from the theoretical foundation of material possession love (Lastovicka, Sirianni, 2011), this study estimates a conceptual model to reveal the underlying psychological mechanism that promotes material possession love for print books.

## THEORETICAL BACKGROUND

### Dual Routes of Attachment to Material Possession Love

Attachment is the degree of emotional bond that consumer develop between their consumption object (Belk, 1992). As proposed by Kleine and Backer (2004), possession attachment is "a multi-faceted property that underlies various material possessions, each manifesting an assortment of significance to the individual (Hazan and Shaver, 1987). Present study attempts to relate attachment to previous works and develop dual routes that facilitate material possession love for books.

### Physical attachment

Consumers have emotionally attached themselves to the objects through possession's physical qualities, and possession rituals, such as using, displaying, storing (McCracken 1988; Pirsig 1974); consequently, the constant or habitual use yield a closer meaning connecting self and object (Belk 1988). Given that consumer's relationship with books such as turning pages, making marks on books resembles possession ritual, thus this study examines physical attachment via rituals. Thus we hypothesize that physical attachment drives the love for print books.

### Psychological attachment

Since attachment is emotionally complex, attached possessions are endowed with personal meanings such as autobiographical or affiliation value (Kleine and Backer 2004). For instance, not only can a possession be viewed as an autobiography or a memory maker that tells the personal histories between self and object (McAdams 1993), but it also marks the personal stories (Kleine 2000). Thus we

hypothesize that psychological attachment drives the love for print books.

## Material possession love

According to Lastovicka and Sirianni (2011), three components make up the construct of material possession love. Passion is defined as hot emotion, whereas intimacy involves keeping closeness relationship with a beloved (Sternberg 1986). Commitment refers to devotion toward the possession in an enduring relationship. The three components contributes to seven different types of love, where enduring romantic love encompass all of the three components.

## STUDY 1: QUALITATIVE RESEARCH METHOD

To explore the research question, this study ran five focus groups among university students. Each group ran for 60 minutes and were taped and fully transcribed.

## RESULT

**Physical attachment**

In tune with Kleine and Backer (2004), consumers have developed attachment with the books through possession rituals and habitual use.

> *"There is a slight noise when you turn pages, and making marks on the books gives me a sense of accomplishment"*

> *"Touching the texture of the pages with my finger, and turning pages is important to me when I read"*

**Psychological attachment**

In line with McAdams (1993), book's personalized meaning is formed via memory rehearsal thus evokes autobiographical value (Kleine 2000).

> *"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."*

## STUDY 2: EMPIRICAL RESEARCH PARTICIPANT AND METHOD

To verify findings from qualitative research, a quantitative research was conducted. We recruited participants from the largest domestic online survey website, Youthwant.com. Psychological attachment

(Sivadas and Venkatesh 1995), physical attachment via rituals (Nysveen et al. 2005) and material possession love ( Lastovicka and Sirianni 2011) are measured using a seven point scale. In total, 25 items of construct measurements were included in the questionnaire.

## RESULTS

All fit indices of the confirmatory factor analysis are above acceptable levels. The model fits the data well ($\chi 2/df$=1.43; CFI=.98; NFI=.94; RMSEA= .079). Reliability, convergent validity and discriminant validity are verified based on the criterion of Jöreskog & Sörbom (1989). In terms of structural model estimation, the fit statistics are acceptable ($\chi 2/df$=1.40; RMSEA = .076; CFI=.98; NFI=.94). Overall, the hypothesis for the dual routes attachment is supported. The results show a significant effect of physical attachment to material possession love on all three components (Passion, commitment, intimacy), psychological attachment shows positive effect to passion.

## DISCUSSION

This study contributes in illuminating a dual route of attachments that serve as the underlying mechanism leading to material possession love for print books. Physical attachment via rituals is one route, where it facilitates enduring material possession love by effecting passion, intimacy and commitment for books. Psychological attachment effecting passion solitarily activates material possession love is the second route. The findings provide valuable insights and attests that preference for print books which is deep-rooted in dual routes of attachment will not be easily replaced.

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# What Makes Happy Consumers Loyal? Reward or Sense of Accomplishment?: Ways to Enhance Program Loyalty with Limited Reward

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## ABSTRACT

Present research investigates what aspects of a reward program make consumers who are satisfied with their lives loyal. The results imply that (1) not reward but sense of accomplishment makes them loyal, and that (2) not a decreasing point accumulation trend but an increasing trend work as a moderator.

## INTRODUCTION

Previous studies have examined how material value (value of reward) affects loyalty toward a reward program (Yi and Jeon 2003). However, the studies were about consumers in general not about a specific consumer group, especially those who are happy or satisfied with their lives. Hence, this research studies what aspects of a reward program, material or experiential, can make consumers who are satisfied with their lives loyal. The research also tested the moderating effect of point accumulation trend on the relationship between life satisfaction and the aspects of reward program, consumers' perception toward a reward (material) and a sense of accomplishment (experiential)–the effect showed the importance of point accumulation process setting aside an outcome.

## THEORETICAL BACKGROUND

### 1. The Relationship between Life Satisfaction and Aspects of Purchase

Burroughs and Rindfleisch (2002) defined life satisfaction as "cognitive evaluations of the conditions of one's life." Many researchers use the terms life satisfaction and happiness interchangeably (Diener 1984; Nicolao, Irwin and Goodman 2009) and both are highly interrelated (Frank 1999; Seligman 2002). Purchase may have a negative impact on life satisfaction since consumers buy "joyless" material possessions resulting in comfort but not pleasure (Scitovsky 1976). However, when a certain process requires effort, it may engender a sense of accomplishment (Bandura 1982). Therefore,

**H1:** Life satisfaction will have a negative effect on consumers' perceived value of a reward.

**H2:** Life satisfaction will have a positive effect on consumers' sense of accomplishment.

2. Program Loyalty

Reward should be considered valuable in order to attain consumer loyalty (O'Briend and Jones 1995). Also, value perception of a loyalty program is related to processes (here, a sense of accomplishment) that are employed in administering the loyalty program (Bowman and Narayandas 2001; Yi and Jeon 2003). Hence,

**H3:** Consumers' perceived value of a reward will have a positive effect on program loyalty.

**H4:** Consumers' sense of accomplishment will have a positive effect on program loyalty.

3. Importance of Process

Points are not what consumers really want but just a medium that can be exchanged for reward (Kivetz and Simonson 2002). Yet, different processes lead to heterogeneous results even though the outcomes are identical (Hsee et al. 2003). According to a social norm, it is better to experience the bad before the good than the good before the bad (Kahneman and Miller 1986). Hence, consumers are more likely to select a reward program when the amount of accruable points per visit increases than when the amount decreases even if the total points and rewards from the two programs are identical. Therefore,

**H5:** Life satisfaction will have a positively stronger effect on perceived value of a reward for an increasing point accumulation trend than for a decreasing point accumulation trend.

**H6:** Life satisfaction will have a positively stronger effect on a sense of accomplishment for an increasing point accumulation trend than for a decreasing point accumulation trend.

## RESULT

### 1. Method

The study employed an experimental design of the between-subject (accumulation trend: increasing vs. decreasing) scenario and was tested through structural equation models (SEM) via AMOS. 174 students from major universities in Seoul were recruited as subjects. The scenario was designed to simulate real-world decisions in a marketing context. The scenario presented two point accumulation cases at a casual dining restaurant, one with increasing point accumulation trend (IT) and the other with decreasing

point accumulation trend (DT). The IT scenario has a chance to double the points on one's second visit whereas the DT scenario has a chance to double the points on the first visit but not on the second visit. Although the point accumulation processes for both scenarios are different, both give an identical department store gift certificate on the second visit.

2. Result

The entire structural model was run in the form of the multiple sample analysis. The overall model showed satisfactory fit (Bagozzi and Yi 1988): $x^2(40) = 284.42$ (p = .00), NNFI = .895, and CFI = .926. H1 was not supported; life satisfaction did not have an effect on consumers' perceived value of a reward (p = .12). On the contrary, H2 was supported; life satisfaction had a positive effect on consumers' sense of accomplishment (p = .02). It showed that consumers' perceived value of reward has a positive effect on program loyalty (p < .001). Hence, H3 was supported. As H4 hypothesized, consumers' sense of accomplishment had a positive effect on program loyalty (p < .001). H5 was supported; life satisfaction affected consumers' perceived value of reward not under DT but under IT. Likewise, life satisfaction affected consumers' sense of accomplishment not under DT but under IT (H6). The equality of factor loadings between IT and DT was assessed.

## CONCLUSION

Consumers' life satisfaction affects perceived value of a reward only in an increasing point accumulation trend while it affects a sense of accomplishment both in increasing and decreasing point accumulation trends. Both the perceived value of reward and sense of accomplishment affect program loyalty. Our findings suggest that redesigning a point accumulation program through emphasizing experiential aspects (a sense of accomplishment) and allocating more points at the end (an increasing point accumulation trend) can enhance happy consumers' loyalty; this can be one possible way not to waste rewards.

Although extensive researches argue that materialism negatively correlates with life satisfaction, the relationship seems somewhat unconfirmed. In a recent study on the impact of social desirability bias on materialism (Mick 1996), the negative correlation between material values and self-esteem became insignificant after controlling the effects of socially desirable responding. Also, LaBarbera and Gurhan (1997) found that while both the non-generosity and envy dimensions of the Belk

materialism scale show negative correlation with the well-being of born-again Christians, these dimensions show no correlation with the well-being of non-born-again Christians. Hence, other beliefs and values may influence the phenomenology of materialistic desires (Burroughs and Rindfleisch 2002). Therefore, later research should study what influences the relationship between life satisfaction and product purchase.

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# Exploring Consumer Fanaticism: a Synthesising Theoretical Model for Understanding its Characteristics, Antecedents, Processes and Outcomes

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The earliest consumer research on fanaticism appears to date back to 1986 in a special session at the North American ACR conference dedicated to 'fanatic consumer behaviour', which locates the study of fanaticism as an extreme form of enduring involvement (Holbrook 1987). Apart from this special session (which discussed and related a wide range of topics to fanaticism including commitment, collecting, compulsive behaviour/consumption, and alcohol and heroin addiction) and a handful of studies thereafter that explored fanatical consumption and fanatic consumer behaviour (e.g., Hill and Robinson, 1991; Redden and Steiner, 2000; Smith, Fisher & Cole, 2007; Thorne & Bruner, 2006), research explicitly exploring the phenomenon of 'consumer fanaticism' has been scant. Amongst these limited studies, there were also inconsistencies, conflicting views and a lack of consensus as to what constitutes this phenomenon.

Although the phenomenon of fanaticism has only received limited attention in marketing and consumer research, it is more commonly discussed in other disciplines such as social psychology, politics, philosophy and religion. A cross-disciplinary review of the existing studies revealed that fanaticism is often considered a difficult concept to comprehend because the use of terms such as fans, fanatics and fanaticism has been inconsistent and confusing (Taylor 1991). For example, while some studies view fanaticism as normal, ordinary and respectable (Bird 1999; Jindra 1994), others have portrayed it as obsessive, excessive, extremist, intolerant and incoherent (Gautier 2002; Perkinson 2002). While there have been suggestions that fanaticism communicates 'the highest degrees of loyalty' and 'devoted passion' (Greenbaum 1999, p. 1), which may be positive in nature, much of the existing literature is dominated by negative portrayals of fanaticism, which suggest that fanatics suffer a psychological disorder and require psychotherapy (Ellis 1986; Firman & Gila 2006; Slobodzien n.d.). The fact that anyone from brand loyal consumers to obsessive and addicted consumers (e.g. in Redden and Steiner, 2000) as well as terrorists and extremists

(e.g. in Nelan, 1995; Sprinzak, 2000) have been considered fanatics suggest that fanaticism exists on a continuum (Gridley, 1987; Harrington and Bielby, 1995). It also explains the existence of many varying and sometimes conflicting perspectives of fanaticism. These conflicting perspectives highlight the need to review and further investigate the phenomenon of consumer fanaticism (and to do so without the application of value judgment or moral standards). A review of the literature also revealed limited research attention devoted specifically to understanding the processes that underpin the development of consumer fanaticism. Furthermore, with calls for a move towards transformative consumer research (e.g. Mick 2006; Mick et al 2011), it is also important to investigate both the positive and negative outcomes of consumer fanaticism that may have an impact on consumer welfare.

Data was collected via qualitative research methods based on in-depth phenomenological and life story interviewing, which took place over 20 months. Six consumers devoted to such product categories as car models, toys and banknotes, as well as brands including Nike Air Jordan, Louis Vuitton and Tupperware, were interviewed up to five hours each over multiple meetings. The interviews consisted of two key parts; the first was designed to examine how consumer fanaticism was experienced by the informants and how it exists in the informant's life-world, and the second was designed to elicit in-depth life history information about the informants. Photos of each consumer's collections were taken, and interviews were also conducted with their significant other(s) such as a partner, family member(s) and/or friend(s), which served to corroborate important information and provide further insights about the informant and the phenomenon of interest. A total of 22 people participated in this study. The interviews were transcribed and the data was analysed and coded according to the guidelines provided by Strauss and Corbin (1998).

The findings revealed that consumer fanaticism is the zealous pursuit of an object involving

enthusiasm, singular devotion and perseverance. It showed that fans and fanatics are qualitatively different based on the fanatic's single-minded and all-consuming devotion to their objects and the tireless and unstinting efforts (including overcoming obstacles) in persevering towards their continued pursuit of them. The findings also revealed that fanaticism, as experienced by the informants, originated from feelings of aberrance and void states, which resulted in a need to normalise through consumption. The outcomes of consumer fanaticism include pleasure, pain, reinforcing narratives and (further) consumption via proactive and/or compulsive acquisitions that are self-sustaining.

This study contributes to the existing literature via a synthesising theoretical model for understanding the phenomenon of consumer fanaticism that captures its defining characteristics, antecedents, processes and outcomes. It is to the authors' knowledge, the first study to empirically investigate and demonstrate the differences between fans and fanatics, and the development of fanaticism. This study goes beyond existing literature that simply suggested fanatics are more intense versions of fans (e.g. in Passmore, 2003; Redden and Steiner, 2000; Reysen, 2006) or that fanatics, unlike fans, are incoherent, dysfunctional and violate social norms (e.g. in Thorne and Bruner, 2006). Through the unique research approach adopted (which involved delving into the life histories of each informant) this study was also able to understand the development and evolution of fanaticism, and in particular, the discovery of feelings of aberrance and void states that drove the fanatics' intense pursuits of their objects is a new insight that is not currently captured by the existing literature. This research also reveals new insights that diverge from the dominant existing perspectives, such as the rapid rate of conversion into a fanatic (when the existing literature proposes a gradual development process) and the lack of significance of social influences, particularly in the sustenance of fanaticism (e.g., much of the existing literature emphasises the importance of a social platform). In conclusion, this study provides a more integrated understanding of consumer fanaticism, which also facilitates future advancements in research by establishing a solid theoretical foundation.

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# Behind Closed Doors: Understanding the Consumption Contradictions of Ethically-Minded Consumers from a Couples Theory Perspective

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## EXTENDED ABSTRACT

Many consumers intend to buy and consume products with ethical connotations. Very few of these consumers, however, manage to place the desired ethically-derived items in their shopping baskets (Young et al., 2010). This intention-behavior 'gap' is widely recognized and is an emerging topic of academic study (e.g. Szmigin, Carrigan, and McEachern, 2009; Chatzidakis, Hibbert and Smith, 2007; Carrington, Neville, and Whitwell, 2010). Yet, the exploratory insights garnered in this nascent literature provide only a partial understanding of the gap (Devinney, Eckhardt, and Belk 2005; Szmigin et al. 2009). In particular, the ethically-minded consumers portrayed in the extant literature remain isolated and disconnected not only from their daily lives and routines (Carrington et al., 2010), but also their relationships with intimate others. To address this oversight, we draw upon a number of theoretical lenses under the rubric of *Couples Theory* to explore the consumption contradictions of ethically-minded consumers in the broadened context of complex and negotiated relationships with significant others. The study aims to: (1) explore ethical consumption from the dyadic perspective of couples; (2) understand ethical consumption contradictions in the context of dynamic, deeply layered and negotiated social lives; and (3) begin to grasp the role of ethical consumption in the ongoing construction of self inside and outside these intimate relationships. The findings from our initial interviews show that relational interactions provide authentic, broad understanding as well as deeper psychological explanations for ethical consumption contradictions not previously recognized in the literature.

## REVIEW

The concepts and theories within the conceptual lens of couple theory explore how the interpersonal exchange between the couple might reflect the internal, intra-psychic material specific to each partner (Clulow, 1985). For example, expressed internal material may take the form of 'projective identification', which refers to a defensive, unconscious process where parts of the self that are denied and rejected are split off and 'projected' onto another person/partner (Klein, 1946). Similarly, 'transference' is said to occur when feelings unconsciously retained from childhood (e.g., toward a parent) are transferred to a new object (e.g., the partner) (Andersen and Berk, 1998; Freud, 1940). Many theories (e.g., attachment, object relations) take the perspective that the way individuals relate to both people and situations is programmed by their experiences (i.e. 'attachment') with their parents as infants (Bowlby, 1969; Bretherton and Munholland, 1999, Fairbairn, 1952).

Extant consumer research exploring the couple context has foregone deeper, psychological examinations, such as those analyzing the accuracy of predictions of a partner's preferences (Davis, Hoch, and Ragsdale, 1986; Lerouge and Warlop, 2006; Scheibehenne, Mata, and Todd, 2011). Some, however, have examined the 'transference' of previous experiences of service failures onto other firms (Bunker and Ball, 2005) or how different 'attachment' styles affect consumer processing (Jeong and Drolet, 2010), gift giving perceptions (Nguyen and Munch, 2011), and satisfaction with marketing relationships (Johnson and Thomson, 2003). In a similar study to this one, Albert and Horowitz (2009) showed that stronger attachment styles are related to greater intention for individuals to consume ethically. Nevertheless, there remains a substantial opportunity to examine ethical consumption, especially its contradictions, from the perspective of the couple context and its interactional dynamics.

## METHODOLOGY

In light of the nascent state of the extant literature and our theory development focus (Deshpande 1983; Edmondson and McManus 2007), the study employs a novel qualitative research strategy, complimented with an inductive analytic approach (Corbin and Strauss 2008). The present study represents the initial stage in an extended research agenda. We present one in-depth case study of an intimate couple who identify

strongly with ethical consumption values, espouse ethical consumption desires and display both ethically aligned and contradictory purchasing/consumption behavior. The multi-method qualitative methodology combines long semi-structured interviews, participant observation, and archival data to enable territory acclimatization, core theme development and triangulation (Hammersley and Atkinson 2008). The data was interpretively micro-analyzed in-situ by a consumer researcher and a couple therapist in collaboration to construct emergent concepts and relationships. Follow up interviews with respondents and formal therapy 'supervision' with a second, senior couple therapist then explored the emergent themes in detail. We drew upon relevant concepts from the a-priori literature to frame the emergent themes as the study unfolded.

## FINDINGS – INITIAL CASE STUDY

Some ethical consumption contradictions may be explained by practical, mundane rationale. For example, Alan (male, 41) was not able to convince his wife, Benita (female, 40), to buy a Toyota Prius – a purchase consistent with Alan's sustainability values – because she found the internal layout "weird. It felt like it was back to front". In some instances, however, viewing couple consumption negotiations through the lens of more sophisticated couple theory garners a deeper understanding. For example, Alan finds that he sometimes consumes non-organic, non-free range meat products, contradicting his values and beliefs around these issues, in response to Benita's ethical admonishment. He explains that this is a response to what he perceives as Benita's "fundamentalism" about these issues, which is counter to his preference for "flexibility" and "moderation". In this case, Alan's ethical consumption contradictions stem from his unconscious behavioral response, overwhelming his personal ethical values and intentions. We can speculate, however, that Alan's response to Benita may be understood through the interactional dynamic and specifically the lens of transference (Andersen and Berk, 1998; Freud, 1940). Further exploration of his family of origin suggests that Alan is transferring unresolved feelings of restriction and lack of autonomy experienced subjectively from his mother, on to his wife. His desire for autonomy from his mother/wife overwhelms his ethical consumption values.

## CONCLUSION & FUTURE RESEARCH

Previous ethical consumption research has not taken into account the negotiation and compromise inherent in the shared consumption decisions of intimate couple relationships. Further, our collaborative, qualitative approach is able to unearth potential psychological drivers that emanate from the family of origin and manifest in the couple dynamic, which then underlie couple consumption negotiations. Our approach provides a unique, deep, and relationally contextual explanation of ethical consumption, including its contradictions.

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# Salesperson Attractiveness and Consumers' Bargaining Behavior: The Moderating Role of Salary Contribution Perceptions

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## ABSTRACT

This paper examines the relationship between salesperson's attractiveness and consumers' bargaining behavior and shows that the extent to which salesperson's salary is perceived to contribute to price is a moderator to such relationship. In the high salary contribution condition, participants made a lower counteroffer to the attractive than unattractive salesperson. The reverse was true for the low salary contribution. We found that high salary contribution led to higher perceived price and lower evaluative ratings of attractive salesperson which can explain the interative result. This finding contributes to the attractiveness and seller-buyer interaction, showing adverse effects of attractiveness under certain condition.

Despite the prevalence of bargaining in the marketplace, the manner in which buyer and seller characteristics influence both the process and its outcome has not received sufficient attention in the consumer research (Buchan, Croson, and Johnson, 2004). In particular, while buyer characteristics (e.g. race, gender, appearance) have been found to affect seller's negotiated pricing (Wise 1981, Ayres and Siegelman, 1995), much less is known about the effects of seller's personal characteristics on buyer bargaining behavior. The first and most obvious salesperson characteristic buyers encounter is the former's attractiveness. While buyers are drawn to and are more likely to buy from attractive salespeople, as prior research suggests (Reingen and Kernan, 1993), their actual bargaining behavior may be not influenced by attractiveness. Given that salespeople, particularly in retail settings, are often hired based on attractiveness, it is important to understand how attractiveness can influence not only whether consumers buy but also how they bargain to determine the final price. In this paper, we advance thinking in this domain by demonstrating the moderating effect of buyers' perceptions of the extent to which a salesperson's salary determines product price (i.e., salary contribution) on the relationship between salesperson attractiveness and buyer bargaining behavior, producing, under certain conditions, an adverse effect of salesperson attractiveness on retailer revenues.

Attractiveness research shows that people are drawn to attractive others (i.e. attractiveness as taste) and attribute positive characteristics to them (i.e. attractiveness as diagnostic) (Eagly et al., 1991, Mulford et al., 1998). Consistent with this, extant game-theory based negotiations research suggests that people offer more to attractive than unattractive partners (Solnick and Schweitzer, 1999). Interestingly, it is found that people also demand more from attractive than from unattractive people, suggesting a beauty liability as well. Negotiations in the real marketplace, however, are far more contextual, making the role of attractiveness more complex. The prices of products in a retail context often depend on salespersons' compensation. Moreover, attractive salespeople often are compensated more highly than unattractive counterparts (Hamermesh, 1994). Accordingly, we suggest that consumer bargaining behavior may be influenced by the extent to which they believe that salesperson attractiveness, salesperson salary, and the price of the product are connected. Specifically, we propose that the stronger a buyer's belief that the salesperson's salary is a significant determinant of the price of the product, the higher will be her perceived retail price of the product and the lower the counteroffer she will make in response to the offer from an attractive salesperson as compared to that from an unattractive one.

Study 1 examined the attractiveness effect on buyers' price perception. One hundred and two adult consumers in Bangkok (Thailand) went through a scenario which was designed to simulate how this might really occur in the context of purchasing eyeglasses. The scenario included photos of the real optical store, eyeglasses, and either an attractive or an unattractive salesperson, determined through extensive pretesting. After reading the scenario, they were asked to choose a pair of eyeglasses and estimate the retail price. Next they estimated the percent of the retail price assigned to salesperson's salary and costs of goods, other costs, and profit. A regression analysis using a buyer's perceived retail price on salesperson attractiveness and salary contribution revealed a significant main effect for

attractiveness ($\beta = 335.63$ , $z= 2.05$, $p< .05$). Retail price was perceived to be higher in the attractive condition than in the unattractive condition ($M_{attractive}= 2625$ vs. $M_{unattractive}=2290$ THB). In addition, this main effect was qualified by an attractiveness x salary contribution interaction ($\beta = -63.74$ , $z=-2.22$, $p<.05$). When salary contribution was high, retail price were perceived to be higher when the salesperson was attractive ($M_{attractive}= 3106$ baht) than when the salesperson was unattractive ($M_{unattractive}=2170$ baht) ($\beta=937.15$, $z=3.01$, $p<0.005$). Perceived retail price did not vary across the two conditions in the low salary contribution condition ($z=-0.36$, NS).

Study 2 examined the attractiveness effect on bargaining behavior. One hundred and forty nine participants went through a  scenario similar to that in study 1 through a computer-mediated program. Once they chose their desired pair of eyeglasses, they were told the retail price by the salesperson (either attractive or unattractive) and went on to negotiate with him/her by making a series of counteroffers to the salesperson's price offers (same for all respondents). The extent to which participants believed that the salesperson's salary contributed to the price was measured on a 7-point scale (salary contribution) and did not, importantly, vary with salesperson attractiveness. A regression analysis using buyers' initial counteroffer as a dependent variable revealed an interaction between attractiveness and salary contribution ($\beta=-229.28$, $z=-4.23$, $p<.001$). In the case of low salary contribution, respondents' initial counteroffers were higher when the salesperson was attractive ($M_{attractive}= 3407$ THB) than when the salesperson was unattractive ($M_{unattractive}=3006$ THB) ($z=3.83$, $p<.001$). In contrast, when salary contribution was high, the initial counteroffer was lower when the salesperson was attractive ($M_{attractive}= 3026$ baht) than when the salesperson was unattractive ($M_{unattractive}=3219$ baht) ($z=-2.25$, $p<.05$). Comparable analyses for final counteroffers and number of bargaining rounds also revealed similar patterns.

Study 3 aimed to replicate study 2 and examined the underlying process of the moderating relationship between attractiveness and salary contribution in explaining the bargaining behavior. One hundred and four participants went through a bargaining scenario similar to that in study 2 through a computer-mediated program. However, prior to the scenario, participants were asked to read the business article aimed to manipulate their belief about salary contribution. This was followed by a two-minute filler task. The questionnaire asked participants to evaluate their own and salesperson's bargaining style and their perception toward the bargaining outcomes, process, and the salesperson whom they bargained with as well as their previously known price. An ANCOVA using buyers' initial counteroffer as a dependent variable revealed an interaction between attractiveness and salary contribution (F(1,99)=8.94, p<.005). In the case of low salary contribution, respondents' initial counteroffers were higher when the salesperson was attractive than when the salesperson was unattractive ($M_{attractive}= 3200$ vs. $M_{unattractive}=2963$; $z =2.2$, $p<.05$). In contrast, when salary contribution was high, the initial counteroffer was lower when the salesperson was attractive than when the salesperson was unattractive ($M_{attractive}= 2958$ vs. $M_{unattractive}=3165$; $z =-2.07$, $p<.05$). Comparable analyses for final counteroffers and number of bargaining rounds also revealed similar patterns. We also found that participants felt more concerned towards the unattractive than attractive salesperson when the salary contribution was high while the pattern was reversed in the low salary contribution. This feeling of concern also mediated the interactive relationship between salary contribution and attractiveness.

In conclusion, this paper demonstrated that the effect of salesperson attractiveness on consumers' bargaining behavior can be moderated by consumers' beliefs about salary contribution. Salary contribution led customers to believe that the salary and price were higher when the salesperson was attractive than unattractive. Thus, attractiveness does not come with value but also cost of exchange whereas unattractiveness which was associated with low salary triggered a feeling of empathic concern which resulted in cooperative bargaining toward unattractive (vs. attractive) salesperson.

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# Who is Your Customer and How Much Time They Have: The Moderating Effect of Assortment Type on Consumer Choice Satisfaction

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Advertisers and Retailers have always wanted to know the black box of how consumer is choosing a brand, and whether they are satisfied with the process. In this research, we study consumer choice set with a focus on the type of information, referring to alignable (comparable) and nonalignable (noncomparable) assortment. We propose that regulatory focus and time pressure moderate the relationship of alignability on consumer choice satisfaction.

We are looking at these moderating variables in two steps. First, we are looking at the interaction effect between alignability and regulatory focus. Based on the prior literature that alignable assortment tends to lead to consumer choice satisfaction compared to nonalignable assortment (Zhang and Fitzsimons 1999). We further hypothesize that this is true for prevention focus consumers who are likely to use 'avoidance' approach. However, we hypothesize that for promotion focus consumers, they will be satisfied with processing nonalignable information because they tend to use 'advancement' approach.

Second, we are looking at the 'need for cognitive closure', operationalized as 'time pressure' as a moderator between alignability and regulatory focus on consumer choice satisfaction. We hypothesize that even among promotion focus consumers whom we expect to be satisfied with the choice process while processing nonalignable information, they would be less satisfied if they are under time pressure because time pressure would increase the need for cognitive closure (Webster and Kruglanski 1994).

Our independent variable, alignability, is referred to alignable and nonalignable assortment. Alignable assortment is an assortment that each option only differ in one incremental dimension such as packsize or capacity or content (small, medium, large).

Groupville and Soman (2005) defines alignable assortment as "a set of brand variants that differ along a single, compensatory dimension, such that each variant has a specific quantity of that attribute" (T.Gourville and Soman 2005)(p.385).

Nonalignable assortment is an assortment that each option differs in different dimensions, and therefore, cannot be directly comparable. A consumer has to choose between one dimension and forego another dimension from another option. Gourville and Soman (2005) define nonalignable assortment as alternatives that vary along a "multiple, noncompensatory" product dimension. Nonalignable assortment requires more cognitive resource (Bertini et al. 2009), more difficult to process information (Zhang and Fitzsimons 1999) and more difficult to remember by consumers (Zhang and Markman 1998) than alignable assortment.

Moderating variables such as motivation level (Zhang and Markman 2001) and consumer knowledge (Herrmann et al. 2009) has been studied. In this study, we propose that regulatory focus moderates the relationship of alignability on consumer choice satisfaction.

People can be categorized in terms of regulatory focus into two main groups, promotion focus and prevention focus. The promotion focus consumers have 'ideal' self-guide. They focus on hope, wish, and aspiration. The prevention focus consumers have 'ought' self-guide. They focus on duty, obligation, and safety (Higgins et al. 1997). Promotion focus consumers want to maximize gain and minimize non-gains. They want to strike hits, rather than avoid risk. In contrast, prevention focus consumers want to minimize loss, and maximize non loss. They want to have correct rejections, rather than incorrect acceptance (Higgins 1997).

Since the prevention focus consumers want to avoid the negative outcome. They are "concerned with obtaining the absence of negative outcomes from success and avoiding the presence of negative outcomes from failure" (Higgins et al. 1997) (p.516), therefore, they are likely to be satisfied with processing alignable information because it projects minimal risk to them. They are choosing only from a varying degree of the same dimension, therefore, minimal opportunity forgone and regret.

On the other hand, the promotion focus consumers do not want to miss the positive outcome. They are "concerned with obtaining the presence of positive outcomes from success and avoiding the absence of positive outcomes from failure" (Higgins et al. 1997) (p.516). They are open to change and prefer advancement (Liberman et al. 1999), therefore, they

are likely to be satisfied with processing nonalignable information because it opens up more opportunity to choose from different dimensions, so that they will not miss the positive outcome. This congruency is supported by the self-discrepancy theory (Higgins et al. 1997).

Despite the hypothesis above, we further propose that the 'need for cognitive closure' would further moderate the relationship between information type, and regulatory focus personality type on choice process satisfaction.

The need for cognitive closure is the motivated tendency to (further) process information [no.62] (Webster and Kruglanski 1994). Time pressure, environment noise, and task attractiveness can increase the need for cognitive closure (Webster and Kruglanski 1994). We will manipulate the need for cognitive closure with time pressure

Pashkevich (2005) found that the need for cognitive closure, operationalized with time pressure, moderates the relationship of task difficulty on cognitive performance of the subsequent task (Pashkevich 2004). Pashkevich explains that the cognitive resource is almost used up in the prior task, leaving little resource left for the subsequent task. Therefore, consumers want to come to a closure in exercising their cognitive resource.

This leads to our hypothesis that, even though the promotion focus consumers are generally likely to be satisfied with processing nonalignable information, they would not be satisfied when they are under time pressure because it heightens their need for cognitive closure.

To empirically test our hypothesis, we will conduct a 2 (alignability) x 2 (regulatory focus) x 2 (need for cognitive closure) between-subjects design experiment with undergraduate students, using laptop assortment as the domain of the study. We will analyze the result with analysis of variance (ANOVA) and structural equation model (SEM) to confirm the moderation effect, as well as the degree strength of each moderator.

We add to the current alignability and choice process satisfaction literature by proposing that regulatory focus and the need for cognitive closure moderate the relationship.

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# Would Being Exposed to the High Shelf Make You Choose Chocolate More? The Fit Between Retail Environment-induced and Consumer's Dispositional Power

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## ABSTRACT

Building on the conceptual metaphor and the person-environment fit, this paper demonstrated the interplay between shelf position/height and dispositional power in determining consumer indulgent choice. High-power people chose chocolate more than low-power people when products were placed on the low position/shelf. The reverse was true for the high position/shelf. These results were mediated by positive feelings which may represent feelings when people are in their status comfort zone. A managerial implication is that a retail store should ensure that their atmospherics create an experience that is in harmony with their target consumer's disposition.

The retail environment is a key determinant of product choice. Interestingly, while much of this research has focused on the role of atmospherics, often purposefully created to enhance in-store experience, the role of other more functional yet ubiquitous aspects of the retail environment such shelving and displays has remained largely unexamined (Meyers-Levy and Zhu, 2007; Levav and Zhu, 2009). Indeed, shelving decisions are an integral part of the store planning and logistic process, with great emphasis placed on optimal usability (Drèze, Hoch, and Purk, 1994; Hansen, Raut, and Swami, 2010). Although recent attempts have been made to examine the influence of shelf cues on price, quality inference (Valenzuela and Raghubir, 2010) and brand evaluation (Chandon et al., 2009), none have considered the potential psychological impacts of retail shelving on consumer experience and choice. Drawing on the conceptual metaphor theory (Lakoff, 1980; Schubert, 2005), and the dispositional and environment-induced power fit (Josephs et al., 2006 and Chen, Langner, and Mendoza-Denton, 2009), this paper argues and demonstrates that shelf position and height interacts with consumers' innate sense of powerfulness to influence the extent to which they make indulgent choices. In doing so, it extends our understanding of the psychological impact of the functional aspects of a retail environment.

How might shelf position and height influence indulgent choice? According to relevant theories, there are associations between vertical size/position and individual power which in turn can have an effect on behavioral approaches and indulgent behavior. Based on a conceptual metaphor ("Power is up") (Lakoff and Johnson, 1980), prior research has shown that objects placed higher or organized in an higher position were perceived to be more powerful than those lower in size or position (Schubert, 2005). Similarly, individuals in a high-power posture (e.g. standing, body expansion, raising one's head) are seen as and feel more powerful than those who are in a low-power posture (e.g. seated, slump over, lying down, and lowering one's head) (Kudoh and Matsumoto, 1985; *Briñol* and *Petty*, 2009; Carney, Cuddy, and Yap, 2010). Extant research found that exposure to a more powerful other can lead to a feeling of awe (Keltner and Haidt, 2003), postural constriction (Tiedens and Fragal, 2003), and behavioral inhibition (Anderson and Berdahl, 2002). Drawing on these, a high (vs. low) shelf may make participants feel smaller and relatively more powerless. Likewise, placing products at the top (vs. bottom) level which leads consumers to raise (vs. lower) their head may make them feel relatively more powerful.

However, recent research on the fit between power-related aspects of people and their environments suggests that individuals with different levels of testosterone (Josephs et al., 2006) or dispositional power (Chen et al., 2009) react differently to status or role assigned (manipulated power) and thus affect the downstream outcome differently. The fit between dispositional and environmental-induced power allows individuals to be in the status comfort zones (Josephs et al., 2006) and become more comfortable and familiar, which in turn breeds a variety of positive outcomes (Chen et al., 2009) and behavioral approaches (Watson, 2000). Based on general social habits, high-power people are usually in a higher position than low-power people and when interacting with each others, high-power people look down, while low-power people look up to their counterpart (Schubert, 2005). Hence, we expect that high-power

individuals get used to being above, higher than low-power individuals who are used to being below, or in a lower position. Such social patterns suggest that the fit arises when a powerful person was exposed to a low shelf and position since he/she is in a relatively high-power position).

Recent research suggests that when the fit occurs, a person becomes less emotionally aroused, performs better in cognitive processing (Josephs et al. (2006) and is more likely to engage in self-expression (Chen et al., 2009). In general, indulgent choices represent pampering oneself or yielding to the desire of oneself (Kivetz and Simonson, 2002). They are often difficult to justify and associated with guilt. Consumers try to restrain their desire, rationalize it (Khan, Dhar, and Wertenbroch, 2005) or license it through a virtuous act (Khan and Dhar, 2006). Therefore, we propose that the fit between dispositional and environment-induced power would increase the motivation to act on a disinhibited, self-serving behavior and empower one to satisfy his/her own desire. We predicted that powerful consumers would be more likely to choose indulgently when they are exposed to a low shelf or when the product was organized in a low position. We expected to find that these behaviors are based on social habits which lead to a comfort zone feeling (Josephs et al., 2006) which was found to mediate the effect of dispositional-role power fit on self-expression (Chen et al., 2009). We tested these predictions in two studies, using an experimental strategy that allows participants to interact with a shelving display of varying height and position.

In study 1, we examined the influence of shelf positions on indulgent choice. Eighty three participants in Bangkok (Thailand) were randomly assigned to either the top or knee-level position condition. Each participant was invited to a room and instructed to imagine that he/she was in a supermarket, walking toward a shelf (of 1.8 meters), considering which snack to buy. On a top or a knee-level layer were four transparent boxes of chocolate cake and mixed fruit which were used in previous studies (e.g. Shiv and Fedorikhin, 1999) to represent hedonic and utilitarian snacks. Logistic results with chocolate and fruit fanatic rating as covariates showed a significant interaction between the shelf position and dispositional power (Anderson and Galinsky, 2006) ($\alpha$=.73) (Wald's $\chi^2$= 5.9, $p$<.05). In the top position condition, participants were more likely to make an indulgent choice when their dispositional power was

low than high (75% vs. 44%; $z$=2.99, $p$<.05). In the knee-level condition, participants were more likely to choose the chocolate cake when their dispositional power was high than low (76% vs. 58%) ($z$= -3.26, $p$=.001). Examining across levels of power, high power participants chose chocolate more when products were placed in the lower position than when it was in the upper position (76% vs. 44%; $z$= -3.25, $p$=.001). However, low power participants were more likely to choose chocolate when products were on the top position (75% vs. 58%; $z$= 3.73, $p$<.001).

Study 2 tested whether and how the shelf height affected indulgent choice. Eighty-six students were randomly assigned to either a shelf of 1.2-meters or 2-meters in length. The procedure was the same as that of study1. Chocolate cake and mixed fruit were placed on a shelf in four layers from 1.2 meters downward. There was a significant interaction between shelf height and dispositional power (Wald's $\chi^2$= 6.35, $p$<.05). In the high shelf condition, participants chose chocolate more often when their dispositional power ($\alpha$=.64) was low (70%) than when the power was high (38%; $z$=2.38, $p$<.05). In the low shelf condition, participants were more likely to choose chocolate when their dispositional power was high than low (66% vs. 50%, $z$= -2.6, $p$<.01). Across levels of power, high power participants chose chocolate more often in the low shelf than in the high shelf (66% vs. 38; $z$= 2.3, $p$<.05) whereas low power participants were more likely to choose chocolate when products were on the high shelf (70% vs. 50%; $z$= -2.72, $p$<.01). We further tested an underlying process using the mediated moderation model (Muller, Judd, and Yzerbyt, 2005). We found that the extent to which participants felt happy, confident, and strong, $\alpha$=.64) which represent feelings when people are in the comfort zone, mediated the interactive effect of power and shelf. Positive feelings rated higher in the low shelf than the high shelf condition ($z$= 2.18, p<.05). However, such positive feeling lead to indulgent choice only when participants have high power.

In conclusion, our research contribution is centered on demonstrating the embodied role of shelf position on consumer choice. This paper joined a growing number of studies examining the functional aspects of the retail environment (Meyers-Levy and Zhu, 2007) the joint impact of dispositional and environmental-induced power (Chen et al., 2009). It suggests that managers of indulgent products ensure that their retail atmosphere and physical stimuli

induce a feeling that matches their target consumer's disposition. Since we did not measure comfort/familiarity directly, these results require further study to draw final conclusions. It would be useful to examine whether the effect can be replicated in non-food domains, in countries with low power distance, and in retail stores where sets of shelves, rather than a single shelf, are used.

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# From Evaluating People to Evaluating Products:
# The Effect of Ascription versus Achievement Mind-set in Consumer Decisions

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## INTRODUCTION

Individuals typically acquire social statuses by either inherited characteristics (e.g., ethnic, family background) or performances of tasks (e.g., educational attainment, job performance). The former status is known as ascribed status (who one is) and the latter is called achieved status (what one does) in sociology (Linton, 1936; Foladare, 1969; Pfeffer & Fabian, Forthcoming)

The present study applies the ascription/achievement concepts to consumer research. Based on the product personality conceptualization developed by Jordan (1997), we draw an analogy that products, similar to individuals, also have "ascribed status" given by product's origin (e.g., country-of-origin or COO, brand image) and "achieved status" derived from product's performance of function (e.g., functional attributes). Founded on theories of mind-set, we propose that drawing consumers' attention to people's ascribed (vs. achieved) status in a prior situation can induce an ascription (vs. achievement) mind-set. The mind-set, in turn, increases consumers' preference for products with favorable ascribed (vs. achieved) status in a subsequent unrelated purchase situation.

## THEORETICAL FRAMEWORK

A *mind-set* concerns the effect of performing a cognitive or motor behavior in one situation (e.g., focusing on a person's ascribed status when evaluating a person) on the likelihood of performing a conceptually similar behavior in subsequent, unrelated situations (e.g., focusing on a product's ascribed status when evaluating a product, Xu, 2010). It reflects the activation and persistence of cognitive procedures. The underlying mechanism of a mind-set can be conceptualized using knowledge accessibility (Higgins, 1996; Bargh, 2002). Specifically, declarative knowledge (e.g., semantic concepts, cognitive procedures) is stored in memory and varies in terms of accessibility. When processing new information, some of this knowledge is activated and used. The likelihood that a unit of knowledge is activated is a function of the recency with which it has been activated and applied before. The effect of

mind-set can be seen as one manifestation of this type of persistence. Moreover, this persistency effect can occur for reasons of which individuals are unaware.

**H1a:** Ascription mind-set consumers, compared to achievement mind-set consumers, are more likely to prefer products with favorable ascribed status.

**H1b**: Achievement mind-set consumers, compared to ascription mind-set consumers, are more likely to prefer products with favorable achieved status.

## METHODOLOGY

Two experiments were designed to test hypotheses. Study 1 (already conducted) investigated how consumers' situationally induced ascription/achievement mind-set impacts preference of products with favorable ascribed/achieved status. Study 2 (in progress) examines how psychological distance of purchase moderates the effect of ascription/achievement mind-set on consumers' preference of products.

Study 1 had a 3 (Mind-set Type: Ascription vs. Achievement vs. No) x 2 (Laptop Product Version: A vs. B) x 2 (Product Information Order: COO first, functional attributes second vs. functional attributes first, COO second) mixed factorial design, in which the Product Version was a within-subject factor. 74 undergraduate students participated in the study. The last factor was included to rule out any possible primacy and/or recency effects of information on product evaluations, the dependent variable. Mind-set was manipulated by exposing participants to anecdotes of celebrities bearing either ascribed status (derived from family background) or achieved status (given by personal efforts and performances). Product A had positive value on COO but negative value on functional attributes (e.g., CPU). For B, the values were the opposite. So which product would be preferred by participants should depend on which kind of product status (ascribed or achieved) was perceived as more salient. All product stimuli information was generated from pretest using the same subject pool. Product evaluations were first analyzed via a three-way repeated measure. As no reliable effects of

Information Order were observed ($p >$ .10) and the patterns of results were the same w/o this factor, it was dropped from further analysis. Results of a two-way repeated measure then revealed a main effect of the product version ($F(1, 72) = 4.32, p < .05$), showing that laptop A was evaluated more positively ($M = 4.32$) than laptop B ($M = 4.52$). However, consistent with our prediction, this main effect was qualified by a significant two-way interaction ($F(2, 72) = 15.61$, $p < .01$) of Mind-set Type and Product Version. Specifically, in the Ascription Mind-set condition, participants reported significantly higher evaluation of laptop A ($M = 5.28$) than laptop B ($M = 4.07, F(1, 72) = 26.39, p < .01$); in the Achievement Mind-set condition, participants reported significantly higher evaluation of laptop B ($M = 4.47$) than laptop A ($M = 3.91, F(1,72) = 6.82, p < .05$); in the control condition, however, participants' evaluations of the two versions of products were not significantly different ($M\_ A = 4.51, M\_ B = 4.37, F(1, 72) = 0.42, p > .50$). Further simple effects tests showed that the effects of Product Version depended on different conditions of Mind-set Type, all three $p$'s $< .05$.

Study 2 further explores the boundary condition of the effect. Consistent with literature (e.g., Han, 1989; Maheswaran, 1994), we argue that compared to concrete, specific and local achieved statuses (e.g., those based on various functional attributes) of products, ascribed statuses (those based on COO and brand image, etc.) are more abstract, general and global. According to Construal level theory (Psychological distance→Construal level→Prediction, evaluation and behavior, Trope & Liberman, 2010), Ascription Mind-set should exert an effect only for psychological distant purchases while Achievement Mind-set should affect evaluation only for psychological near purchases. This hypothesis will be tested in Study 2, which has a 3 (Mind-set Type) x 2 (Product Version) x 2 (Psychological distance: Near vs. Distant) mixed factorial design. Specifically, psychological distance will be manipulated along the temporal distance dimension because of its wide use in research concerning Construal Level Theory.

## DISCUSSION

This research contributes to literature in three ways. First, while most previous research focuses on conscious information processing in product evaluation, we provides evidence that unconscious processes (mind-set) may also play a role. Second, it identifies the situational factor (psychological distance of purchase) that can moderate the effect. Last, it contributes to product personality literature by providing a new perspective to classify product status (ascribed vs. achieved). To the author's knowledge, this is the first time that the ascription/achievement concept has ever been introduced to consumer behavior research.

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# The Moderating Role of Regulatory Fit in Temporal Effect of Loyalty Program Rewards Design

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## INTRODUCTION

The effect of temporal rewards design of a loyalty program is controversial: some studies show immediate rewards are more effective than delayed rewards in prompting repeated purchases, but other studies demonstrate different results. The current research is investigating two factors (i.e. rewards benefits of loyalty program and consumer's regulatory focus) that moderate the temporal effect of rewards design on consumer's response to loyalty program. The researcher employs the regulatory fit theory (Higgins 1997; 2000; Aaker and Lee 2006) and the benefit congruency framework (Chandon, Wansink and Laurent, 2000) as a theoretical foundation to explore these interactive effects.

## Loyalty Program Elements as Independent Primes of Regulatory Focus

The regulatory focus theory suggests two distinct self regulatory strategies: promotion and prevention focus (Higgins 1997; 2000). According to the theory, regulatory focus not only can reflect a stable, accessible and chronic trait, but also is considered as a situational state that can be temporally induced through priming (Crowe and Higgins 1997). Marketing stimuli, as external exposures to consumers, could function as situational cues, which provide independent primes of regulator focus (Ramanathan and Dhar 2010). Two elements of loyalty program design are studied as regulatory cues in this research: temporal rewards and reward benefits.

## Temporal rewards as regulatory cues.

Behavioral learning theory (Rothschild and Gaidis 1981) suggests that a rewarded behavior with immediate incentives is likely to prompt repeated purchase instantly, whereas, that with delayed rewards is discounted due to consumer's pale evaluation of future outcomes. A study with regard to the association of temporal distance with regulatory focus (Pennington and Roses 2003) support assertions that distant goals are predominated by promotion regulatory concern, whereas proximal goals are characterized by more balanced consideration of both promotion and prevention concern. Therefore, immediate rewards can activate consumer prevention focus, in contrast, delayed rewards can activate consumer promotion focus.

## Rewards benefits as regulatory cues.

According to the promotion congruency framework proposed by Chandon et al., (2000), rewards benefits can be grouped into two broad categories: hedonic benefits and utilitarian benefits. Recent studies (Chitiuri, Raghunathan and Mahajam 2008) indicate that, hedonic benefits activate emotions of cheerfulness and excitement; utilitarian benefits prime emotions of confidence and security. Therefore, hedonic benefits rewards can induce promotion focus; whereas, utilitarian benefits rewards can prime consumers' prevention focus.

## Regulatory Fit Effect on Consumer's Response to Loyalty Program

The regulatory fit theory proposes an effect of compatibility between the type of goals and the strategy used to achieve them (Cesario, Grant and Higgins 2004). Regulatory fit changes the significance of consumers' reactions to marketing cues as external regulatory stimuli (Avnet and Higgins 2003). Research shows that the regulatory fit effect significantly influences how consumers perceive values of target offerings (Higgins 2000; Higgins, Idson, Freitas, Spegial and Modern (2003). The concept of fit effect is not only drawn from the regulatory fit theory. Chandon et al., (2000) develop a benefit congruency framework, which demonstrates that the effectiveness of sales promotion is determined by the nature of benefit it delivers (utilitarian or hedonic) and the congruency that the benefit possess with the promoted products. Loyalty program literature shows that consumer's value perception is a necessary condition for firm's building up brand loyalty through loyalty program (O'Brien and Jones 1995). Drawn on the review of the regulatory fit effect, two sources of compatibilities can be expected. One is cue compatibility with regulatory focus and the other is regulatory compatibility between the cues (temporal rewards and rewards benefit). Both regulatory compatibilities can create values. Therefore, we predict in this study that, when temporal rewards fits rewards benefit in term of regulatory orientation,

or when the regulatory orientations that two cues prime fit consumer's regulatory focus, consumers will perceive greater values of the loyalty program, generate more positive attitude towards loyalty program and have higher likelihood of joining (participating) in the loyalty program.

## Research Methodology and Pilot Study

Two experimental studies are developed to test the hypotheses by using college students samples recruited from a northeastern university. Both experiments use a 2 (temporal: immediate versus delayed rewards) x 2(benefit: hedonic and utilitarian benefit) x 2 (regulation: promotion versus prevention focus) between-subject design. Except different manipulations of regulatory focus in two experiments, other procedures are conceptually same. Participants are randomly assigned into each condition and they are asked to view a brief description of a loyalty program consisting of different combinations of temporal rewards and rewards benefits. The stimuli have been pretested to ensure the proper operationalization of two temporal rewards and two rewards benefits. After viewing the loyalty program information, participants are asked to answer a questionnaire consisting of dependent measures, manipulation checks and other demographic information. Three dependent variables are value perception, attitude towards loyalty program and likelihood of joining (participating) in loyalty program. Regarding operationalization of regulatory focus, a priming approach (Higgins, Roney, Crown and Hymes 1994) is used to manipulate promotion or prevention focus in the first experiment; a direct measure of regulatory focus (Lockwood, Jordon and Kunda 2002) is used in the second experiment. Both experiments expect three two-way interactions (two elements with each other, either element separately with regulatory focus), without three-way interaction as no theoretical support. Preliminary results from a pilot study for Study 1 by using small samples show that the hypotheses are supported.

## Theoretical Contributions

This research makes several contributions to existing theoretical literature of regulatory fit and loyalty program. First, the study claims that loyalty program elements could act as marketing cues, priming regulatory orientations, which in turn can influence consumer's preference and participation of loyalty program. Next, this research proposes that congruency and compatibility of those marketing cues could affect the effectiveness of loyalty programs. Also, the study investigates individuals' self regulatory focus as a state as well as a personal trait to moderate the effectiveness of loyalty program elements. In addition, the current study explores the effectiveness of loyalty program from consumer psychological perspectives, contributing to loyalty program literature which usually studies the effect of loyalty programs on firm's economic performances.

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# Does Mortality Salience Always Lead to Materialism? The Difference of Contemplating Good Versus Bad Ending of Life

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Just as nothing can last forever, people die. However, people die in different ways and situations. While previous research based on Terror Management Theory (TMT) argues that individuals with Mortality Salience (MS) are in general inclined to make different behavioral choices than they otherwise would (e.g., Sheldon & McGregor, 2000), these studies have not differentiated individuals' behaviors caused by the salience of death in different possible ways (i.e., unnatural death vs. natural death). The present research aims to fulfill this gap by proposing that people as consumers tend to perform different behaviors if they are induced to imagine death in different ways. For example, imagining death in a car accident and imagining passing away in an easy chair may motivate people to be engaged in different behaviors.

## The TMT Account of Materialism

Previous TMT research argues that MS induces existential anxiety. The anxiety motivates people to imbue life with meaning and thus, to derive self-esteem from cultural beliefs about the nature of reality to maintain the feeling of secure and protected. Because the virtues of materialistic consumption are deeply woven into the very fabric of American (and now spreading to many other countries) culture, inducing consumers in these cultures to contemplate death may motivate them to behave acquisitively (Greenberg, Pyszczynski, & Solomon, 1986). While Greenberg et al. and their followers' argument appears to be plausible in some situations, it seems arbitrary to assume that MS will drive individuals to behave the same way regardless how they imagine their deaths. To predict their disparate behavior that may be derived from this comparison, the Just World Theory (JWT) comes into play.

## JWT, TMT and Materialism

*Just World Theory (JWT).* People in general have motivation to believe that the world is fundamentally just (Lerner, 1998). That is, they tend to believe that good people (especially themselves) get rewarded and bad people (maybe others) get misfortunes. Since JWT is one of the universal values people hold, MS in general may increase the importance of maintaining belief that the world is just (Cai, 2010). We argue that, however, individuals contemplating bad ending and those contemplating good ending may use different methods to maintain the just world belief.

## Bad Ending Contemplators.

When induced to imagine their unfortunate ending, people simultaneously think that since they are obviously good people, they are treated in an unjust manner. To maintain the just world belief, they may try to enhance their self-esteem by improving the quality of life and current well-being (As a good person, I live shorter than others, but with better quality. So that is fair.). As a result, they are more likely to engage in materialism behavior in order to compensate.

## Good Ending Contemplators.

When induced to imagine their passing away peacefully, people may think that since they are obviously good people, they are actually treated in a fairly just manner. To this extent, they are less motivated to improve the physical quality of life in order to enhance the self-esteem. Instead, they tend to enhance the self-esteem by trying to behave in a "good person" manner. This is because people, although believe they are generally good, do know that they are not morally perfect (Lerner, 1965). As a result, to build a better image as a "typical good person", they are motivated to behave according to social norms (Festinger, 1956). The line of logic is "I will die in a fairly just way, which identifies that I am a good person. As a result, I should perform like a good person, not a bad one." To this extent, good ending contemplators may search their cultural values that are consistent with this consideration and use these values to direct their behaviors. If we assume that "squandering wantonly" is perceived as bad habit, then good ending contemplators may try to keep away with this behavior and thus, become less materialism-oriented.

**H1**: Inducing individuals to contemplate bad ending of life (unnatural death) will increase their materialism behavior.

**H2**: Inducing individuals to contemplate good ending of life (natural death) will decrease their materialism behavior.

Two experiments adopted from previous research on effect of MS on materialism were designed to test hypotheses (Kasser & Sheldon, 2000). In Study 1(already done) we asked college students about their financial expectations projected 15 years in the future (e.g., salaries, worth of their homes); in Study 2 (in progress) we ask students to play a forest-management game and assessed how much they wished to harvest, as well as their subjective motivations for consuming. Our measures thus tapped two distinct aspects of materialism – making a great deal of money (Study 1) and consuming many resources (Study 2).

75 undergraduate students participated in Study 1 for credit. Subjects were randomly assigned to respond to one of two essay questions based on TMT's MS manipulation (Greenberg et al., 1990) – Natural Death Contemplating (aging death) and Unnatural Death (traffic accident). An independent sample T-test showed that Unnatural Death Contemplators, compared with Natural Death ones, reported significantly higher expectation for Financial Worth ($M = 6.48, 5.71, t(73) = 2.68, p < .01$), Pleasure Spending ($M = 6.06, 5.16, t(73) = 2.53, p < .05$), and Value of Possessions ($M = 5.70, 4.69, t(73) = 2.58, p < .05$). The results are consistent with our prediction.

Study 2 differs from Study 1 in two ways. First, Study 2 has a control condition (Listening to Music Contemplating) to further confirm the effect identified in Study 1. Second, Study 2 especially concerns the consuming behavior. Subjects participate in a forest-management game, a resource dilemma (Sheldon & McGregor, 2000). Subjects are told to imagine that they own a company that has to bid against three other companies to harvest timber in a forest. Subjects rate 1) how much they would like to profit more than competitors (Greed), 2) how much they expect other companies to try to cut large amounts each year (Fear), and 3) how many acres they would harvest in their Year 1 bid. It is predicted that Natural Death Contemplators report significantly higher Fear and significantly lower Greed and Year 1 bid than Unnatural Death Contemplators while the control group report on a medium level in all three measures.

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ROUNDTABLE SESSION

# Toward a New Paradigm in Marketing Thought: The Contributions of Next Generation Academics to Marketing and Consumer Research

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*Participants:*
*Linda Price, University of Arizona, USA*
*Ekant Veer, University of Canterbury, New Zealand*
*Russell Belk, York University, Canada*
*Jeff Tanner, Baylor University, USA*
*Isabelle Frochot, University of Chambéry, France*
*Markus Geisler, University of York, Canada*
*Robin Canniford, University of Melbourne, Australia*
*Babak Taheri, University of Strathclyde, UK*
*Chouki Sfandla, Hanken School of Economics, Finland*

## ABSTRACT

The purpose of this roundtable is to bring together junior and senior researchers in addition of marketing gurus, supervisors and doctoral students interested in understanding the contributions of Next Gen academics. The participants will discuss the new topics and the way newcomers are doing research individually and collectively. This will build up a new approach concerning the conceptualization of marketing research and develop implications for shaping marketing paradigm.

## EXTENDED ABSTRACT

This roundtable brings together young and confirmed researchers interested in understanding the profile of the Next Generation of scholars and their contributions to the field of marketing and consumer research. Over the past ten years, Next Generation scholarship (doctors since 2000 or are still doctoral candidates in 2011) has had a scant impact on the human science disciplines such as anthropology, sociology, psychology or history. The human science scholars representing different disciplines are being exposed to ever challenging reforms and are confronted with inspiring perspectives in a dynamic world economy. In marketing and consumer research, Next Gen scholars' assumptions are embedded in the theoretical frameworks, the formulation of questions guiding research, the methodology and the data collection, the interpretation of results, and the mentoring of future researchers with new and cool ideas. Therefore, Next Gen marketing and consumer researchers are engaged in generating new perspectives and responding creatively to the changes. This generation of new knowledge, together with senior researchers, in theory and training, research and practice, is fundamental to sustain all fields of consumption. One possibility to maintain scholarly on the front of the changes is to incorporate new paradigms in marketing that challenges the conventional marketing and consumer research thought and encourages value-contribution related critical and alternative thinking. This line of 'logic' opens up fundamentally new reflective views for Next Generation research to continue exploring uncommon topics and understanding future influences on marketing studies. The influence of Next Gen researchers should be taken into account to understand the new trends emerging within the consumption field. By incorporating the tenets of Next Gen scholarship perspective, consumer research theory can be enriched and extended. Indeed, there were numerous Next Gen academics writing on new topics on consumer behavior and marketing published in top leading journals such as JCR, JM and JAMS in the early 2000s. There have been studies conducted by junior researchers and doctoral candidates (Taheri and Jafari 2011), marketing gurus and senior researchers collaborating with Next Gen scholars (Micu, Coulter and Price 2009; Strzhakova, Coulter and Price 2012, 2008; Sobh and Belk 2011; Llamas and Belk 2011; Epp and Price 2011, 2010, 2008; Veer et al., 2010; Cases, Fournier, Dubois and Tanner 2010; Giesler and Canniford 2011; Giesler 2008; Batat 2008; Frochot 2005), and supervisors co-writing papers with their doctoral students (Zhao and Belk 2008; Nguyen and Belk 2007; Tumbat and Belk 2005; Tumbat and Belk 2011). These collaborations have contributed to the variety of consumption studies by combining the Next Gen and senior perspectives on consumer research. The purpose of

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In this session, junior and senior researchers in addition of marketing gurus, supervisors and doctoral students will discuss the contributions, the new topics and the way Next Gen newcomers are doing research. This will build up a new approach concerning the conceptualization of marketing thought and research and develop implications for shaping marketing paradigm. Therefore, this session will present 1) the topics emerging and the main contributions of Next Gen academics in marketing and other disciplines, 2) the way Next Gen research affects marketing and consumer studies, 3) the socialization process and the supervision of Next Gen scholars 4) their perception of their own research and the marketing community and 5) the impact of their beliefs, values and the digital landscape on their research. With this

in mind, potential topics of Next Gen contributions to be explored and discussed in this roundtable may focus on the following areas of discussion:

• How does Next Gen research affect marketing and consumer studies?

• Are there previous works focusing on the contributions of Next Gen academics in marketing or other disciplines?

• What is the uniqueness of this generation of scholars regarding the formulation of research in marketing and consumer behavior?

• How do Next Gen researchers view their subject?

• How do they select their subject? And how does the Next Gen researcher/subject relationship affect research and its outcomes?

• How do they use internet and digital skills in their research?

• How do they build up their academic network? And how do they socialize and navigate into the research community?

• What is the affect of their traits, beliefs and thoughts on our research methodologies?

• What is their perception of the marketing research community and the way marketing scholars are doing research?

• What do they think about the marketing research and its topics?

• How does Next Gen research impact on the debate associated with alternatives methodologies incorporating social media?

• What is the role of Next Gen academics in marketing and consumer research? Are there important Next Gen researchers who influenced marketing theory and practice who need to be reclaimed?

• What are the interdisciplinary dimension and the profile of Next Gen researchers in marketing?

• How can we supervise and empower Next Gen doctoral candidates?

These questions stem from a Next Gen approach to research, a perspective that extends beyond consideration of generational issues and into an investigation of Next Gen impact on a discipline's body of knowledge. Exploration of all these areas should lead to new insights, which can ultimately operate to influence research. This process leads scholars to recognize the contributions of Next Gen academics that have affected research approaches by incorporating fresh thought and cool ideas in the field.

This session will provide an introduction to Next Gen main leaders and their contributions to the field of consumption and marketing, their topics and new ideas, their methodologies, their way of conducting research, their perception of research, researchers and the marketing field. This overview will give attendees an appreciation of who are the Next Gen scholars and the way marketing research and practice will be reshaped in the future by these leaders who are empowered, cross-cultural and digital natives.

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ROUNDTABLE SESSION
# Visual Texts "We Can Only Know What We See"

*Chair:*
*Margo Buchanan-Oliver , University of Auckland*

*Participants:*
*Russell Belk, Schulich School, York University*
*Jonathan Schroeder, Rochester Institute of Technology*
*Janet Borgerson, Rochester Institute of Technology*
*Carolyn L. Costley, University of Waikato*
*Lorraine Friend, University of Waikato*
*Sandy Bulmer, Massey University*
*Sandy Smith, University of Auckland*
*Joel Hietanen, Aalto University, Finland*
*Marylouise Caldwell, University of Sydney, Australia*

## ABSTRACT
Issues to be discussed include: What is a Visual Text (repertoires of display)? Ways of reading visual texts? The benefits of multi-modal (written text/visuals) readings for participants and researchers (increased reflexivity and depth). Issues involved in the writing about, the display and the publishing of visual texts, especially filmic and digital visual texts.

## EXTENDED ABSTRACT
The proliferation of texts open to researcher and participant interpretation continues to expand. The use of multi-media (Belk 1998), audio-visual (Caldwell, Henry and Alman 2010) and imagistic research techniques (Schroeder 1998) have been reported in the literature. The benefits of such adoption are seen in an increased ability of consumers to more fully engage in articulating their lived experiences (Hirschman 2000) by moving beyond solely word-based and cognitive articulation to more experiential and emotional learnings about consumers, their identity and their cultural worlds (Belk 1998). This may come via introspection and comparison of their written and drawn representations of experience (Smith and Buchanan-Oliver 2011). It may come via other repertoires of display such as: photographs (Schroeder and Zwick 2004); videos (Belk and Kozinets 2005); advertisements (Bulmer and Buchanan-Oliver 2010); record covers (Schroeder and Borgerson 1999); poems (Zinkhan; Sherry: 299-305, in Stern 1998) and those advocated for by Hirschman (1998) – food, flowers, fabric.

In order to foster clarity on avenues of research and application on the topic the session will encourage multiple conversations on what can now constitute a visual text by exploring the available repertoires of display. Explore ways of reading/decoding visual texts. Talk about potential benefits of multi-modal (written text/visuals) readings for participants and researchers. It will also discuss issues involved in the writing about, the display and the publishing of visual texts, especially the problematics of filmic and digital visual texts. These conversations will be primed by informal gatherings during the conference.

Benefits would accrue to all researchers interested in visual culture and its representation. Especial benefit would be obtained by PhD students currently engaged in or considering the deployment of visual texts in their research projects.

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ROUNDTABLE SESSION
# Gendered Experiences of Place: Queenstown

*Chairs:*
*Carolyn L. Costley, Waikato Management School, New Zealand*
*Lorraine Friend, Waikato Management School, New Zealand*
*Jan Brace-Govan, Monash University, Australia*
*Susan Dobscha, Bentley College, USA*


*Participants:*
*Carolyn L. Costley, WMS, New Zealand*
*Lorraine Friend, WMS, New Zealand*
*Jan Brace-Govan, Monash University, Australia*
*Susan Dobscha, Bentley College, USA*
*Helen Woodruffe-Burton, UK*
*Shona Bettany, UK*
*Margo Buchanan-Oliver, U. Auckland, New Zealand*
*Wendy Hein, Birbeck University of London, UK*
*Linda Price, U. Arizona, USA*

Everything we consume and everything we study is in 'place.' Place refers to locations, spaces, and 'landscapes' -- public, private, physical, or virtual. Place saturates social life (Gieryn 2000), is socially constructed and gendered (Pritchard and Morgan 2000). Research into place involves exploration of the ways people invest aesthetic, moral, and personal meanings in different settings and in the process, weave themselves into place, often revealing signs of connection, belonging, and history (Hodgetts, et al., 2010). Hence, there are rich opportunities for broad and deep explorations of gender and place.

We will use the Gender, Marketing and Consumer Behaviour conference to help delegates create visual auto-ethnographies of their Queenstown experiences. The conference theme is "gendered experiences of place." Continuing the Gender conference theme into the ACR conference allows delegates to experience Queenstown, reflect on their experiences, and contribute to an enhanced academic understanding of place consumption.

Visual methods have gained popularity for understanding and representing the "doing" of life. Because visual representation can be physical or imagined, we will utilise photography and poetry. The day between the two conferences provides opportunity for delegates to represent their gendered experiences of Queenstown. A predetermined group of scholars plus on-the-spot volunteers will compile submitted photos and poems to share at this round table at the ACR conference. During the round table, we will examine, analyse, and synthesise the collaborative auto-ethnography. Together, we will seek salient themes and differences in how people interweave themselves and place. We will approach gender as a social and cultural construction and place as location, space and landscape.

There are many orientations to both the gender and place literatures that could be brought to bear on the analysis. General descriptions of the main areas follow.

**Gender studies** is a field of interdisciplinary study that analyses race, ethnicity, sexuality and location. One perspective on gender studies proposes that "gender" should be used to refer to the social and cultural constructions of masculinities and femininities, not to the state of being male or female in its entirety. Another perspective examines the role that the biological states of being male or female have on social constructs of gender. In consumer research, Consumer Culture Theory has by and large subsumed gender studies (Bettany, Dobscha, O'Malley and Prothero 2010). Regardless of perspective, gender is an important area of study in many disciplines. Each field has come to regard "gender" as a practice, sometimes referred to as something that is performative.

Gender is a particular lens on or performance of place. The gender lens encourages us to recognize that experience has multiple meanings and identities. It reminds us to consider inequalities of experiences and inequalities of place (Smale 2006).

**Place and consumption research** defines places as contexts, prescriptions and objects of consumption (Kleine and Baker 2004; Pettigrew 2007). Experiencing place may be active (participating) or passive (being there, observing). Consumer research has examined servicescapes, the

Internet and other specific places of consumption (e.g., Sherry 1998; Joy, Sherry, Venkatesh, and Deschenes 2009; Penaloza 2001; Belk, Sherry, and Wallendorf 1988) as well as tensions surrounding the meaning and ownership of public spaces (Visconti, Sherry, Borghini, and Anderson 2010). Opportunity abounds.

Without going into detail, related concepts include (but are not limited to): power, identity, history, culture, body, commerce, technology, nature, gendered contexts, material form, location, relations, emotions, meanings, actions, feminist, constructionist, implacement/displacement, public/private, internal/external, masculine/feminine.

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ROUNDTABLE SESSION
# Theorizing Consumer Culture in a Sustainable Society

*Chair:*
*John Schouten , University of Portland*

*Participants:*
*Lucie K. Ozanne, University of Canterbury, New Zealand*
*Paul W. Ballantine, University of Canterbury, New Zealand*
*Lynn Kahle, University of Oregon, USA*
*Jill Mosteller, Portland State University*
*Ashlee Humphreys, Northwestern University*
*Denise Conroy, University of Auckland*
*John Schouten, University of Portland*
*Diane M. Martin, University of Portland*
*Phipps Marcus, University of Melbourne*

## EXTENDED ABSTRACT

The advent of the twenty-first century has brought increasing awareness of looming social and environmental catastrophe on a global scale. Even moderate estimations of humanity's future in terms of climate change, access to clean water, ocean health, food supplies, and resulting geopolitical conflicts describe dire situations and formidable challenges.[1] The physical science behind sustainable consumption and production is relatively clear and well developed, making it possible to envision scientific and technological solutions.[2] Science, however, can be stymied by culture and, unfortunately, the social science of sustainability is significantly under-theorized.

This roundtable proposes to map out an agenda for research to theorize the nature and roles of consumer behavior, and especially collective consumer behavior, in a more sustainable global society. Related areas of study include (but not exhaustively):
• Consumer wellbeing
• Anti-consumption & alternative consumption behaviors
• Pro-sumption & other expanded consumer roles
• Gaps between consumer values and behaviors
• Sharing, membership & other alternatives to ownership
• Communities of purpose & practice
• Bottom-of-the-pyramid consumption
• Transformative consumer research
Drawing from a variety of perspectives from consumer researchers in both the Southern and Northern Hemispheres, this session intends to bring a sharper theoretical focus to research on sustainability in consumer behavior. The roundtable will be moderated by a discussion leader; however, much of the roundtable will involve free-flowing dialogue among the participants. Panelists will share personal views and theoretical perspectives on the problems of unsustainable consumption.

It's no stretch to assert that much of the consumption in the developed West and the emerging East is anything but sustainable. Less clear by far are the answers to two nagging questions. One, what would constitute sustainable consumption in twenty-first century society as we know it? And two, what constraints of material and non-material culture stand between the status quo and a more sustainable set of alternatives?

Numerous studies show that, beyond a basic level, increasing consumption doesn't increase happiness or wellbeing.[3] It does, however, increase social and environmental harm. What are the fundamental requirements for consumer wellbeing? What drives consumers to amass and consume more than what might be optimal for their wellbeing and that of society?

In many cases, the answer to living sustainably may lie in living with less. We may also find solutions in consuming differently. Modern consumer society answers individual need with individual ownership. In many cases those needs can be met as well through sharing[4], membership, public or private services or joint ownership. Zipcar is an example of a membership and service company that meets many individual transportation needs with lower impact and lower cost than individual automobile ownership. What barriers exist between the current ownership bias and a bias toward sharing or other use models?

By prioritizing ease and convenience over other consumer values our society has created an ethos of disposability. Quality, durability and

craftsmanship arguably are more sustainable values. Are the former values inherently incompatible with the latter? What explains gaps between sustainable consumption values, which probably are widely held, and sustainable behaviors, which are far more elusive?[5]

These are some of the questions regarding sustainable consumption that beg for answers and suggest the need for theory development in the field of consumer behavior. Historically there have occurred wholesale shifts in modes of consumption driven by systemic cultural changes spanning realms of technology, migration, economic development, politics, infrastructure development, belief systems and more. On the horizon is another such major shift in the nature of consumption. It can be understood, anticipated and facilitated for the benefit of society or, alternatively, it may occur in response to catastrophic ecological and social developments that leave future society with far fewer options than what we have today. This panel means to make some contribution to the more proactive scenario.

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SPECIAL SESSIONS

# Locked into the Housing System: Exploring Consumer Agency in the Housing Market

*Chair:*
*Jan Brace-Govan, Monash University*
*Participants:*
*Julie Ozanne, Virginia Tech, USA*
*Jan Brace-Govan, Monash University*
*Harmen Oppewal, Monash University*
*Marcus Phipps, Melbourne University*
*Itir Binay, Monash University*

In spite of the significant and growing body of research in consumer culture across a broad range of possessions, there is remarkably little discussion of the processes and experiences of owning a home. With burgeoning issues of sustainability, and the 'wickedness' of the housing problem (Adams 2011), it is timely to initiate this discussion.

This session takes as its broad framework the connections, intersections and influences between socio-economic structure and consumer agency. The first paper sets the scene through a brief discussion of the role of home as a place that defines identity. This is followed by a presentation of the rhetoric of real estate as discovered through real estate advertising and the efforts of consumers, who intend to consume sustainably, to meet their environmentalist needs through house purchasing experiences. The second paper examines a moment of marketplace crisis where the shock of drought engendered several responses. When consumers are faced with sudden and significant change their engagement with the marketplace shifts and, through this they must also re-envisage, re-connect and re-create their marketplace relationships. As ideological negotiation occurs so too does consumer agency alter. In the final paper, consumer agency embraced the means to reject private ownership of houses and in so doing uncovers several dynamics of meaning creation, sharing and the paradoxes of communal ownership.

Together these three papers open up the consumer culture debate to issues of home ownership and sharing within the context of imagining a sustainable future for cities. Underpinning the discussions are considerations of agency and structure. Questions arise about the extent to which consumers can engage with and change the marketplace, and, to what extent is the marketplace is a structural constraint on their intentions? In addition to the specific issues addressed in each research context (real estate purchase; water behavior change; co-housing design), the audience will have an interest in these broader questions as well.

## WHAT IS THERE TO CHOOSE FROM? CONSUMER EXPERIENCES OF BUYING A HOUSE.

The way in which people engage with their environment and place of abode has been examined by environmental psychology since Proshanky (1978) argued that place has a role to play in identity development and was a highly differentiated, complex phenomena. Moreover, not only are buildings meaningful for people, but designers and architects actively endow buildings with meaning (Gifford 2002) as they direct their 'audiences' to respond to, and consume space (Gifford 2002; Harries, Lipman and Purden, 1982; Schroeder 2002). Others have asserted that place attachment induces feelings of nostalgia and connection (Gifford 2002; Maclaran and Brown 2005) and that health and well-being are closely intertwined with place-identity (Stokols, Shumaker, and Martinez 1983). Proshansky, Fabian and Kaminoff, (1983) found that place-identity changes over time and that significant life events induce new roles that shift the requirements of place. They argue that home, place-identity and place-belongingness are significantly linked because individuals have more control over that environment than, for example, their workplace (Proshansky et al 1983, 70). Clearly dwellings have great significance for their residents. Homes are both theoretically and colloquially "where the heart is".

Therefore it is to be expected that purchasing a house is a very complex decision with high impact that requires a significant financial commitment. It is often the most substantial asset a family owns, accounting for almost 25% of household wealth in America and up to 40% in Western European

In spite of the significant and growing body of research in consumer culture across a broad range of possessions, there is remarkably little discussion of the processes and experiences of owning a home. With burgeoning issues of sustainability, and the 'wickedness' of the housing problem (Adams 2011), it is timely to initiate this discussion.

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Therefore it is to be expected that purchasing a house is a very complex decision with high impact that requires a significant financial commitment. It is often the most substantial asset a family owns, accounting for almost 25% of household wealth in America and up to 40% in Western European countries (The Economist, 2002). In Australia 65% of households either own their own home or are paying off a mortgage (Kelly et al, 2011), which places it among of the countries with the highest percentages of home ownership (4th highest among 13 Western countries, Economist 2002). Australians are however not only likely to be owner-occupiers , they also seek the largest floor area in the world. The average floor area of Australian dwellings was up 4.4% over the last 5 years (James, 2009) and outsizes the average American home by nearly 13.1 $m^2$ and the average UK new home by a huge 138.6 $m^2$.

The consistent trend towards an increasing floor area of dwellings (James 2009), challenges sustainable heating and cooling, and raises serious questions about urban sprawl and the consumption of building materials. Furthermore, housing is significant infrastructure that has other far reaching effects on social and economic well-being. Housing stock, housing markets and housing consumption however are interlinked in complex ways but, importantly, are difficult to change. Consumers may have good intentions but are 'trapped' in a system that provides them only few viable alternatives (Murray et

al, 2008). Conversely producers of housing, such as developers, seem conservative and inert, displaying only limited intent towards significant change or innovation (Goodman et al 2010). Goodman et al (2010) established that planning has only limited impact on developers' perceptions of the owner-occupier marketplace. In this context, consumer negativity and resistance to change can derail well-intentioned policy initiatives due to the deep investment that people have in their homes (Newton et al, 2011).

The intensification of urban development required to address the imperatives of high population growth and a low-carbon future is one of the greatest challenges facing cities. One way in which intensification can be achieved is by getting housing consumers to consider and move into housing with a smaller footprint, which may consist of 'flexible housing'. Flexible housing can adjust to alterations in household patterns over time and has the potential to make a significant contribution to affordable sustainable building (Schneider and Till, 2007). However, real estate marketing is commonly reliant on exaggeration and hyperbole (Pryce and Oates 2008) and does little to communicate the benefits of more appropriately designed dwellings.

Using an exploratory qualitative approach, the research investigates the public discourse of housing through an analysis of real estate advertising and marketing practices. The discourse analysis of widely accessed real estate information in the Melbourne marketplace and a content analysis of real estate advertisements shows a significant lack of interest in housing attributes that contribute to sustainable living. A limited discourse of sustainable housing is available but only to consumers with higher incomes who engage architects. These aspirational houses are however of the range of most consumers. The advertisements show a continued focus on luxury and spaciousness, while interviews with real estate agents reveal a view that sustainable attributes of housing are superfluous to the selling process. Additional interviews with consumers who are committed to sustainable living and in the process of purchasing a home will be conducted in February (this is the start of the house purchasing season) and reported at the conference. Consumers will be asked to describe their experience of the real estate market and the processes of choosing an appropriate dwelling. The paper will conclude by asking what is marketing's role in the process of bringing sustainable housing to market and how to interface with the consumer's experience of selecting a home.

## SHOCKED INTO CHANGE - COMMUNITY RESISTANCE WITHIN HOUSEHOLD WATER CONSUMPTION

This paper explores community resistance within a marketplace crisis. In the winter of 2007 the city of Melbourne was faced with a water supply shortage. By the middle of June 2007 Melbourne's water storage levels had dropped to 28.5% of reservoirs' capacities, down from 48.6% the previous year (Melbourne Water 2007). This provided a significant marketplace shock. As a result consumers questioned their reliance on the city's water reservoir and began engaging in the use of alternative water sources to the city's main supplies. In particularly, individuals installed household water tanks and increased the efficiency of their water use through greywater. The most common form of greywater use was placing a bucket under the shower to capture excess water, and then using this water for a second purpose such as watering the garden.

Severe drought created a critical discourse moment within the Melbourne water marketplace. A critical discourse moment is where the "discourse shift(s) because of the influence of some external event or institutional change" (Humphreys 2010). During this unique period of change discourses within the marketplace appeared more fluid and therefore under negotiation. Private water consumption became a matter for public discussion. In Melbourne significant spikes were seen in the news coverage of water use, as well as the number of water related terms typed into Google's search engine. This research investigates this ideological shift. It seeks to illustrate how community resistance to the dominant discourses within water consumption contributed towards this marketplace change.

A grounded theory approach was taken to capture this unique period of change (Goulding 2002; Locke 1996). Purposive sampling was used to select 25 informants who engaged in alternative forms of household water use. All interviews were conducted at the informants' houses, which enabled the researcher to observe the respondents' sustainable living practices in progress. The researcher spent between one to two hours with each informant, half of the time involved a taped in-depth interview, while the rest involved a tour of the household's facilities that recorded through field notes and photographic

evidence. Interviews were put into historical perspective through rich supplementary materials such as newspaper articles and other secondary sources.

The findings illustrate how opposition led to significant marketplace entrepreneurism. Contradictions in the marketplace provide opportunities for marketplace innovations (Heath and Potter 2005; Kozinets 2008; Thompson 2004; Thompson and Coskuner-Balli 2007). In the Melbourne water marketplace contradictions emerged in the form of confusing and contradictory regulations on water use. One example was the installation of rainwater tanks in an urban household. Despite being legal to install rainwater tanks in urban households, it was a popular belief that tanks were banned in the city. Even when legally allowed, local council rules inhibited one informant from having his water tanks visible from any adjoining properties. This led to the informant developing smaller modular rainwater tanks that could fit beneath his front porch. Many examples resonated throughout the interview of consumers innovatively overcome barriers within the marketplace.

Ideological negotiation was visible in the new linkages that were developed between consumers. New forms of expertise were sought as traditional sources such as the government were perceived as unprepared for the crisis. In particular public spaces provided opportunities for ideologies to be transformed (Karababa and Ger 2011; Visconti et al. 2010). In one instance two informants discussed a seminar on rainwater tanks they attended at their local hardware store. At the beginning of the seminar the plumber confessed to having limited knowledge on the topic as he had never previously installed a rainwater tank. Despite this failure, the seminar became of source of innovation and knowledge for the two informants as the seminar's attendees were able to launch into their own spontaneous self help session. This example illustrates how new linkages were created among consumers outside of traditional media outlet and government communication.

This research extends theory into marketplace reformation, ideological change and consumer innovation. It supports the notion that rejuvenation can be achieved through opposition but goes further by illustrating how these discourses can be negotiation and brought to the surface in times of crisis. In the Melbourne marketplace community resistance emerged in the form of new behaviours and in the linkages between consumers outside traditional communication channels. Contradictions within the marketplace also provided sources of innovation as consumers sought to overcome barriers to their use of alternative water sources.

## THE SHARING CHALLENGE: EXPLORING MIXED OWNERSHIP IN A CO-HOUSING MODEL

Over the years there has been increasing debate on the affordability and environmental sustainability of housing in Australia. Australians, now have the largest houses in the world that come with very high levels of energy and building material consumption (James, 2009). The desire for bigger house size seems to be the norm for Western societies, which is fuelled by increased individualism and causes isolation. This research looks at the members of an Intentional Community (IC) called Orringa. The members of the community have created Orringa in an attempt to create a space for meaningful social interaction and smaller environmental impact by increased interpersonal sharing and utilizing co-housing design. What is important to note is that members of this specific IC have not tried to escape the market to do so, but rather utilized public funding for economic sustainability as well as to avoid individual ownership of property. Communal ownership and sharing space support the ideological basis of this community but also are the source of the problems they face in trying to exist within the system.

Previous research has looked at alternative consumption communities like the temporary community of the festive participants of Burning Man (Kozinets, 2002), consumer resistance communities (Kozinets and Handelman, 2004) and downshifters and voluntary simplifiers (Cherrier 2007). While previous research looked at consumers whose efforts still mostly relied on individualistic consumption, this research focuses on the efforts of sharing in an attempt to create alternative spaces within the market. Interestingly factors that are said to inhibit sharing, such as possessiveness and the development of self-identity via possessions (Belk, 2007), have been observed to be crucial for sustaining intercommunity sharing.

An ethnographic study at Orringa led to data collection through several informal meetings with members of the community as well as a 3 week stay at the community that allowed for in-depth interviews with 10 members of the community. Data was also

supported by field notes on the day-to-day life at Orringa.

The reasons this specific Intentional Community was selected are various. First of all, Orringa supports a co-housing design. Co-housing originated in Denmak in the 60s, mainly due to parental desire to improve the quality of their children's environment, in terms of being able to connect with their peers and supportive, responsible adults. By design, the co-housing model requires sharing of as much 'open' space as possible, allowing for meaningful interpersonal relationships. It is different than a commune though, in the sense that there is a clear distinction between an individual's private space and the communal space. Through leaving as much green space for gardening, play and places to gather, along with the emphasise on maximizing land as to be utilized as open shared spaces, a co-housing model lends itself to accommodate a more environmentally and socially sustainable lifestyle (Houben, 1997).

Having a co-housing design, Orringa provides all of its members with individual houses, nevertheless they are all in close proximity to the common house where they gather almost daily, or at least once a week to share a meal together or converse around to fire. A second reason for Orringa's forming the basis of this research is the alternative ownership structures it provides for its members. Unlike most co-housing communities, Orringa allows for both private ownership and equity housing.

Orringa is the first and (to our knowledge) only co-op in Australia that provides both equity and private ownership. The community was built with the assistance of government funding. Whilst most members are currently renting these houses as a part of a social housing initiative some others were not allowed to do so which has forced them to buy houses near the community, creating the private public divide of ownership. The reason for some members not being able to live in the government owned houses are due to changing regulations of social housing within the state.

While their first agreement with the government agency was that they would be indefinitely renting the houses they have built, they have later been asked to move out so as to make space for other people who might need social housing. Members of Orringa refused to do so on the grounds of the existence of an ideological community. However they also felt that, to a certain degree, they were the owners of the space because they had built the houses from scratch and

put a lot of time and effort into making sure it was environmentally and socially sustainable. The rules were changed again, now requiring members who earn more than $20.000 p/a to move out. Members of Orringa have, on several occasions, spoken on how the government agency advised them to buy a house instead of continuing to live in the community.

The idealized state of private ownership that governs the mainstream view on housing have challenged the members of Orringa, who are not necessarily marginalized members of the society, in creating space for interpersonal sharing and sustainable living whilst not necessarily having to escape the market. Moreover it was observed that some level of inter community possessiveness and materiality was required in order to create space to fight the dominant social paradigm of possessiveness and individuality. This argues against Belk's (2007) suggestions on possessiveness being an inhibitor to sharing.

There are also implications for public policy as not only does a co-housing model encourage social interaction it also makes a significant contribution to the housing crisis as it requires less land, uses less resources and creates more houses for more people (McCamant and Durett, 2011). Future research is required into help understand how best living arrangements can be organized for people who wish to live an alternative to dominant values within the housing structure but do not want to be marginalized and forced into living in a commune setting.

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# Boundaries, Resistance and Skin: Issues of Embodiment

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The body and embodiment is a rich theoretical space replete with experiential and semiotic variability. This session draws on three areas of scholarship to consider the body and its role in everyday experience, the development of alternative views of self, and the signification of bodily respresentations. Each paper also explores issues of control, containment and the projection of societal norms and values with consideration for the repercussions that this may have for marketing communications, branding, and marketing's understanding of identity. The first paper interrogates social marketing campaigns and the part they play in promoting the neo-liberal individualised self. Analysis shows that social marketing is for the most part 'body blind'. The challenge for social marketing is to engage with the lived and embodied reality of its target markets. The next paper considers fashion advertising. Widely acknowledged to be implicated in the distorted body ideals of young women in particular, fashion advertising is often the focus of highly critical scholarship. However, this paper examines the strategies and defenses developed by resistant consumers and finds that fashion advertising can be viewed through a different lens. The final paper argues that skin, although most often taken for granted, is far from neutral. Indeed skin and its materiality play crucial cultural roles in marketing communications and branding.

Together these papers draw our attention to the significance of the body, its outer layer and its representation in fashion and public policy. The discussions will be of interest to marketers who would engage with consumer culture in theoretical and philosophical ways in order to better comprehend consumer experiences. The discussant brings an interdisciplinary background to his role. His research has focused on bodily issues, Foucault and identity.

## RETHINKING SOCIAL MARKETING'S MANAGEMENT OF THE BODY

Social marketing campaigns participate in the generation of the public discourse on health and wellness, promoting valorised body ideals and versions of embodiment that are claimed to benefit individuals and therefore society. However, we argue that these are limited and that a more critical view is required. Focussing on the issues of gender and embodiment we examine the norms and practices of social marketing campaigns and the aim of transforming 'the body' and bodily everyday experiences. Through our scrutiny of social marketing practices we suggest that consumer culture theory has an important role to play in offering alternative means for addressing both gender and embodiment thus approaching critical social marketing differently.

To anchor the discussion we will examine three disciplinary boundaries. The first is critical social marketing's current disciplinary boundaries. The managerialist agenda of marketing has been criticised in the past (Hackley 2009; Wilkie and Moore 2004) and this managerialism has been carried forward into social marketing practices. Hastings and Saren (2003) initiated the call for a critical contribution in social marketing. More recently Hastings (2010) has continued this exposition in criticising industry's negative impact on society – particularly the alcohol industry - through marketing and advertising to youth. Hastings's (2010) social marketing solutions advocate for upstream managerial strategies to control what have been defined as social problems, for example recommending taxation to increase the cost of harmful products. Here we endeavour to expand thinking on critical social marketing by examining bodily experiences through theoretical lens of gender and embodiment (Saren 2007). Embodiment is a broad theoretical canvas that clearly establishes the interface between body, identity and consumption. However, various theoretical positions also argue for the social

character of the body and thus open a new narrative that challenges social marketing's perspective that one's body is under individual control. This leads us to assert that current social marketing campaigns take the lived experiences of the body for granted and are 'body blind'. Moreover, there is significant benefit to be derived from adopting a consumer culture theory approach that encourages a deeper, contextualised understanding of the consumer's perspective.

Following this the second boundary, which is the primary focus this discussion, is gendered bodily boundaries (Longhurst 2001). The frame that we adopt to scrutinise social marketing is derived from Foucault and draws on his theorisation of the Panopticon and the disciplined body achieved through self-surveillance as that intersects with social norms (Shankar, Cherrier and Canniford 2006).

Examples drawn from social marketing campaigns are deconstructed to demonstrate the 'healthism' that underpins these constructions of the 'normal body'. An exemplar of the natural body is the work of breast feeding and its concurrent prescriptive role in defining good mothering. Several medicalised systems intersect to exhort women to breastfeed for the benefit of a 'normal, healthy, smarter' child and a sainted motherhood (The VOICE Group 2010). However, research with mothers shows that their embodied experiences of motherhood challenge the taken for granted naturalness of this task. Another widely touted embodied experience that is fundamental to several health policies is physical exercise. Here, particularly for women, the discourse of fashion and beauty has become embroiled in the dictates of health and well-being. In these examples the values represented in social marketing campaigns intersect with the marketplace of fashion and beauty, as opposed to physical strength and prowess. In completing the circle, these values leak back into the marketplace through entrepreneurial ventures that respond to women's demands for feminine gym spaces such as Contours, Curves and Fernwood.

Social marketing management appears to unquestionably rely upon a regulative discourse of 'health', which in today's western, political climate of neo-liberalism shapes individual empowerment through discourses of self-care and individual responsibility for lifestyle and wellbeing choices. Many consumer contexts (e.g. food, beauty, medicine) exploit the 'healthiness' ideal, which has been elevated as a measure of social and personal accomplishment in contemporary consumer culture

(Lupton, 1996). In the final section we attend to the third boundary. Here the tensions between the lived experience of the feminine body and the health and social welfare of the body as managed by public policy through social marketing's current normative strategies that privilege healthism. We argue that social marketing can be more than public health when it takes a broader view of the consumer experience, or target audience, to develop more nuanced and flexible interventions. These would recognise the diversity that resides in communities and the positive value of negotiated discourses and adoption of a more critical stance towards regulatory, health policy discourses.

## THE PRIVATE RESISTOR'S REJECTION OF MARKETPLACE VALUES IN FASHION ADVERTISING IMAGERY

Consumer research has grown to understand the nature of consumer activists and their influence both on the corporate world as well as the mainstream consumer population. Studies of the burning man festival (Kozinets 2002) and the subculture of natural health consumers (Thompson and Troester 2002) discuss the means by which consumers can resist marketplace and consumerist values. Kates and Shaw-Garlock (1999) name these consumer activists *textual shifters*: bodies that serve as historical and sociocultural influences that will shape societal discourse, values and standards, thus providing a background context to frame the interpretation of industry messages.

At the other end of the spectrum is the passive, indifferent consumer who makes individualistic marketplace decisions and internalizes the values offered by industry. However the literature has largely ignored a mid-ground segment that we call the *private resistor*. This consumer disapproves of the values dominating marketplace environments and interactions, usually in relation to a specific industry, yet does not aspire to radicalize society through fundamental changes to the capitalist system. Gabriel and Lang (2006) explore the differences between being a *consumer* and a *citizen*. The former makes consumption decisions in an impersonal economic marketplace disregarding moral standards and consequences. In contrast, the latter actively engages in their communities, evaluating the impact of their actions and expressing control, commitment, morals and responsibility for their marketplace behaviour (Gabriel and Lang, 2006). This notion of *citizen* is the closest approximation within existing literature to our privately resistant consumer. The private resistor,

within their personal context, opposes the values and standards inherent in advertisements and other marketing communications, upholding their own values as established away from the marketplace.

For this study the portrayal of body image in marketing communication served as the channel through which to understand how moderately resistant consumers oppose values and standards of the marketplace. It is a marketplace that engenders much passion and intense response including government policy and corporate acknowledgement (ie Dove) as well as extensive academic investigation. Body image is an important topic and a source of much difficulty for women in particular. A meta-analysis of 77 studies yielded strong support for the notion consumer exposure to thin-ideal imagery in media is correlated to women's body image disturbances and vulnerabilities (Grabe, Ward and Hyde, 2008). However, small numbers of women from this, and other studies, were shown to be able to resist, or avoid, negative social comparisons to fashion models and fashion advertising.

Despite the evident tendency to identify with models in advertisements, communication theorists claim that advertisements are designed to portray a metaphoric and symbolic depiction rather than an accurate reflection of reality (McQuarrie and Mick 1999; Scott 1994). On the other hand it has been shown that consumers turn to marketplace statements as a reference for societal norms, ideologies and cultural meanings (McCracken 1986; Phillips and McQuarrie 2010, 2011). In relation to body image a very small proportion of studies have uncovered clues that some consumers both explicitly disapprove of the standards conveyed in advertisements and block the internalization and negative impact they cause (Engeln-Maddox 2005; Hirschman and Thompson 1997).

The aim of this research was to examine this privately resistant consumer, exploring their motivations, life experiences and expressions of resistance. The investigation was undertaken using the issue of body image and the portrayal of female models in advertisements. A grounded theory approach formed the basis for a three-stage data collection process and purposively selected resistant consumers. Themes were uncovered from blogs and industry expertise to establish criteria for participant recruitment. Analysis of the data yielded intriguing findings, demonstrating that family values were an integral antecedent in both participants' ability to critically interact with advertisements as well as maintain strong self-esteem and self-acceptance. Additionally, participants each identified the presence of a 'trigger experience' that shifted their approach to the issue of body image.

Finally four resistance strategies emerged as common defense mechanisms that participants engaged in as expressions of their opposition to the body image values in advertisements. Importantly, our findings highlight a paradox in consumer interactions with media. Prior research claims that consumers who are adequately socialized develop the ability to display skepticism toward advertising by the age of eight (Mangleburg and Bristol, 1998). Yet research on media literacy programs aiming to instruct young females on critically evaluating body image advertisements have reported that skepticism towards ads was an outcome of the intervention (Irving and Berel, 2001; Irving, DuPen and Berel, 1998; Posavac and Posavac, 2001). This clear contradiction suggests the presence of mediating factors to consolidate this skeptical approach towards marketing communications, such as the family values or trigger events as discussed by participants.

While consumer activists and textual shifters may be the loudest influencers of social commercial change, there is potentially a substantial component of the consumer population who, in their private space, are opposing the values and standards that marketers convey through communications. These findings are valuable in assisting companies to understand consumers' rejection behaviours directed at market offerings. They are also important in taking action to foster more constructive approaches in young women towards body image portrayals in the marketplace. In acknowledging the limitations of the present study, directions for further research will be addressed.

## SKIN AND IDENTITY

This paper argues that commodified skin, far from a simple surface, neutral background, or "white space" performs meaning creation roles in consumer culture. Much consumer research proceeds as though the subject of research is a bodiless decision maker, and draws body awareness into the mix only as particular variables of sensation that may impact upon individual consumer choices. The potentialities of body and skin typically become invisible, yet remain active nonetheless. In a recent controversy, H&M utilized "virtual computer-generated human figures" on their website. Different model "heads"

were placed on the same digital body, and skin tones were digitally manipulated to "match" the heads (Abraham 2011). Thus, a "black head" was matched with a "black body". Though largely a conceptual synthesis, the paper draws upon consumer responses to this practice – posted on the UK newspaper *the Daily Mail* website – to generate insights into the intersection of skin, consumption, and identity. An analysis of skin reestablishes skin's role – not only as "the ultimate accessory" – as a recent exemplar from a Dove campaign declares – but also as a meaningful liminal engagement between self, other and world (Schroeder and Borgerson, 2003).

The human body – which has long served as an important genre in visual representation – plays a key role in foundations of meaning and identity creation. In consumer culture, branding practices and strategic communication appropriate, co-create, and build meaning. Not surprisingly, the human body and related distinguishing elements such as skin function as "radiating landmarks" for innumerable product attributes, including social and emotional characteristics, ascribed to a vast array of products, services, and ideas in ads, websites, annual reports, promotional brochures, as well as wider discourses (e.g., Buchanan-Oliver, Cruz and Schroeder, 2010). Moreover, Patterson and Schroeder's work confirms the co-creative, intersubjective productions of bodies, suggesting that skin embodies primary tensions in consumer culture, and provides a communication medium that can ground meaning and identity creation (2010).

## CONSUMPTION, MATERIALITY, IDENTITY

Consumer culture apparently offers up a plenitude of commodities and symbolic resources to be incorporated by consumers in the construction of identities and related narratives. Consumption may be understood as diverse processes of resolving paradoxes and contradictions and materializing value and meaning in everyday life (Miller 1987). Theories of materiality underlie concepts of consumption, in the sense that theories of materiality propose understandings of subjects, objects and relationships between them which notions of consumption entail. Often, much remains inexplicit regarding meaning and identity construction through consumption – of luxury brands, trips to Tahiti, or human skin – and there is a call for investigating the way in which subjects and objects emerge and engage with each other in relation to these processes (Borgerson 2005, 2009).

How does skin serve consumers as signals of desire, ontological markers of difference, and exemplars of brands? Representations of skin appear to fulfill these productive functions effortlessly: "Anyone who points a camera at family, friends, fellow tourists, or strangers encountered on holiday becomes a 'skin' photographer." (Bybee, 2007). In other words, without any particular intensions regarding meaning creation, the simple process of picturing friends, arguably now more common than ever with cameras present on almost every mobile device, engages a philosophy of skin.

## SKIN SIGNS AND SKIN CODES

Marketing images often invoke ethnic and racial identity through the use of models with varying racial appearance, but lately, skin itself – tone, color, sheen, complexion, texture, skin secretions (e.g., sweat) – has become a focus of ad campaigns for brands in several product categories, valorizing, reifying, eroticizing, and essentializing skin. Modes of being, who one is and who one is not, including abstracted characteristics around race, class and gender, materialize from basic building blocks of skin represented in strategic communications. Moreover, photographic isolation of skin, such that broader identifying or unifying aspects of the body and human identity disappear, such as an entire arm and hand or a face with eyes, condenses the possibilities of meaning, allowing fewer and fewer signs for communicating an overall sense. Indeed, ads often decontexualize human skin, avoiding reference to facial features, intellectual identity, and sometimes, gender identity. Many print ads, website images and commercials – including the recent H&M swimwear images – emphasize racially coded skin tones such as black and white in a way that emphasizes racial identity based on what is known as "the epidermal schema."

## CONCEPTUAL CONCERNS: THE 'EPIDERMAL SCHEMA'

Marketing communications draw upon fetishism signifiers in visual culture, for example in the advertising practice of formally reifying objects via photographic technique, drawing upon liminal divides, such as nature versus culture, and reproducing the exoticization of blackness. According to Bhabha, skin color is 'the most visible of the fetishes' (1983).

The growing body of thought in critical race theory has done much work to understand issues of how identity is linked to human characteristics, and how racial ideology, as embodied by Western philosophical thought, has systematically worked to deny human traits to particular people and certain races. Black, of course, has become a racial category; blackness in semiotic terms often connotes exoticized identity and a sexualized fascination with the other, via what has been called "the epidermal schema" (Fanon 1967; Gordon 1995). The epidermal schema works by reducing identity to skin color, to focus attention on differences in skin color, and to emphasize the ontological distinctions between skin color (Fanon, 1967). Blackness, then, has *ontological* status. Whereas skin may be drawn upon as a landscape against which other objects might be set or a context into which other elements might be put into play, skin's communicating potential is not silenced nor are identifying characteristics made invisible. This may be seen through instances in which gender or class or race fails to be evacuated, and for example, skin touching skin continues to express relationships. Examples such as the controversial H&M campaign provide fertile ground for assessing how consumer culture invokes, interrogates and inflames ontological tensions and cultural concerns.

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