LATIN AMERICA CONFERENCE 2017

"From Magical Realism to Realizing Magic in the Market Place"

# PROCEEDINGS VOLUME 4

## **EDITORS**

Enrique P. Becerra Ravindra Chitturi María Cecilia Henríquez Juan Carlos Londoño



MM

Association for Consumer Research



### EDITORS

Enrique P. Becerra Ravindra Chitturi María Cecilia Henríquez Juan Carlos Londoño





#### Latin America Advances in Consumer Research, Volume 4

Enrique P. Becerra, Ravindra Chitturi, Maria Cecilia Henriquez Daza, Juan Carlos Londoño Roldan; Editors

2017 Copyright © ASSOCIATION FOR CONSUMER RESEARCH

All rights reserved. No part of this publication may be reproduced, stored in a retrieval system or transmitted, in any form or by any means, electronic, mechanical, photocopying, recording, or otherwise, without prior written permission of the publisher.

International Standard Book Number (ISBN): 978-0-915552-27-6

Association for Consumer Research Labovitz School of Business & Economics University of Minnesota Duluth 11 East Superior Street, Suite 210 Duluth, MN 55802

www.acrwebsite.org

### Preface

The fourth Association for Consumer Research Latin America Conference was held from July 5-8, 2017, in Cali, Colombia. The Pontificia Universidad Javeriana Cali co-sponsored and hosted the conference.

Conference theme was "From Magical Realism to Realizing Magic in the Market Place," aiming to highlight Latin American consumer behavior research and researchers, and to provide networking research opportunities for Latin American researchers. We had two invited speakers, Drs. Eduardo B. Andrade and Manuel E. Sevilla Peñuela; Dr. Andrade spoke of the challenges and opportunities for Latin American researchers during the conference plenary session and Dr. Sevilla presented his research on Colombia's culture and its association with music.

The conference had a total of ninety-seven (97) participants from twenty-one (21) different countries, reaffirming the interest in Latin America and indicating a diverse group of participants. Forty-six (46) of them were based in Latin American, with the majority coming from Brazil (21) and Colombia (20).

Seventeen (17) PhD students, all Latin Americans and mostly based in Latin America, participated, indicating importance of this type of conferences for development of academics in Latin America. We held three workshops at no cost to participants to aid Latin Americanbased researchers, and are quite grateful for time and effort provide by Dr. Pallavi Chitturi, who led the Conjoint Analysis workshop, Dr. Lisa Peñaloza, who led the qualitative research workshops, and Drs. Steven Rayburn, Linda Nasr, and Mario Giraldo, who led the transformative service research workshop. All three workshops were very well received.

The conference also held a Meet the Editors session, which was well received. We are very grateful for time and effort of following editors: Drs. Darren Dahl, Salvador Ruiz de Maya, P. Sergius Koku, Ajay Marai, and Jose Alejandro Aristizabal Cuellar.

We received a total of one-hundred-and-twenty (120) proposals and accepted eighty-nine (89) submissions, including four (4) special sessions; four (4) accepted submissions were withdrawn. This proceeding contains abstracts and/or complete manuscripts of eighty-one (81) presentations, including competitive and working papers. It also includes abstracts from four (4) special sessions. Participants were quite pleased with the diversity of topics and quality of presentations. Overall, quality of presentations indicate Latin American researcher is moving in the right direction.

#### The conference highlighted the following submissions:

- Best Conference Paper:
  - "An Upbeat Crowd: Fast In-Store Music Attenuates the Negative Effects of High Density on Customers' Spending" Klemens Knoferle, BI Norwegian Business School Carlos Velasco, BI Norwegian Business School Alexander Vossen, University of Siegen

#### • Best Conference Theme Paper:

"Patanjali Ayurved: The Guru and the Myth-Making" Bhupesh Manoharan, Indian Institute of Management Calcuta Krishanu Rakshit, Indian Institute of Management Calcuta

- Best Conference Paper by or with a Latin America Based Author: "Frugality: Antecedents, Consequences and Implication for Consumer Welfare" Leticia Boccomini Marselha EAESP- FGV Delane Botelho, EAESP- FGV
- Best Conference Paper by or with a Student Author: "Can Guilt Be Repaired by Consumption? An Analysis of Brazilian Mothers" Suzana Valente Battistella-Lima EAESP-FGV
  - Delane Botelho EAESP- FGV

This conference would not have been possible without the support of Association for Consumer Research and its board, the advice and encouragement of its Director Dr. Rajiv Vaidyanathan and the support of Brenda Monahan, its Executive Assistant. The support and guidance of the planning committee was invaluable, in particular the help of Drs. Salvador Ruiz de Maya, Lisa Peñaloza, Maria Petrescu, and Daiane Scaraboto during the conference planning and submission review process.

We also liked to highlight the support provided by the Pontificia Universidad Javeriana Cali, in particular the support of Dean of College of Economics and Business Administration Dr. Alberto Arias Sandoval, the graphic designers Patricia Mejia and William F. Yela, the communication team of Juan Carlos Prado Caicedo and Diana Milena Lopez Duque, and the music and dancing troop of the Center for Cultural Expression.

On behalf of the Pontificia Universidad Javeriana Cali, we are quite grateful and proud to have been able to chair the Association for Consumer Research Latin America Conference 2017 edition.

Enrique P. Becerra Ravindra Chitturi Maria Cecilia Henriquez Daza Juan Carlos Londoño Roldan

Latin America Advances in Consumer Research Volume 4, © 2017



From left to right: Dr. Salvador Ruiz de Maya, Dr. Enrique P. Becerra, Dr. Maria Cecilia Henriquez Daza; Dr. Ravindra Chitturi; and Dr. Juan Carlos Londoño

#### **CONFERENCE CHAIRS**

Enrique P. Becerra (eb25@txstate.edu), Texas State University Ravindra Chitturi (rac2@lehigh.edu), Lehigh University Maria Cecilia Henriquez Daza (mchenriquez@javerianacali.edu.co), Pontificia Universidad Javeriana Cali Juan Carlos Londoño Roldan (juanclondono@javerianacali.edu.co), Pontificia Universidad Javeriana Cali

#### **CONFERENCE PLANNING CHAIR**

Salvador Ruiz de Maya (salvruiz@um.es), Universidad de Murcia

#### PLANNING COMMITTEE

Lisa Peñaloza (lisa.penaloza@kedgebs.com), Kedge School of Business Tom Meyvis (tmeyvis@stern.nyu.edu), New York University Giana M. Eckhardt (giana.eckhardt@rhul.ac.uk), University of London David Luna (david.luna@baruch.cuny.edu), Baruch College Ana Valenzuela (ana.valenzuela@baruch.cuny.edu), Baruch College Eva Gonzalez (emgonzal@itesm.mx), Tecnológico de Monterrey Jose Mauro C. Hernandez (jmhernandez@fei.edu.br), Centro Universitario de FEI Claudia Acevedo (acevedocampanario@usp.br), Universidad de Sao Paulo Daiane Scaraboto (dscaraboto@gmail.com), Pontificia Universidad Católica de Chile Sindy Chapa (sindy.chapa@cci.fsu.edu), Florida State University Maria Petrescu (mpetresc@nova.edu), Nova Southeastern University Nuria Recuero Virto (nrecuero@pdi.ucm.es), Universidad Complutense de Madrid Francis Blasco (fblasco@emp.ucm.es), Universidad Complutense de Madrid

ASSOCIATION FOR CONSUMER RESEARCH DIRECTOR

Rajiv Vaidyanathan (rvaidyan@d.umn.edu), University of Minnesota Duluth

### **Table of Contents**

## **Special Session Summary**

Big Data and Consumer Behavior:
Challenges & Solutions for Experimental and Observational Analyses
Blakeley B. McShane, Northwestern University, USA
Paper #1: Single Paper Meta-analysis: Benefits for Study Summary, Theory-testing, and Replicability
Blakeley B. McShane, Northwestern University, USA
Ulf Bockenholt, Northwestern University, USA
Paper #2: Multilevel Multivariate Meta-analysis with Application to Choice Overload
Blakeley B. McShane, Northwestern University, USA
Ulf Bockenholt, Northwestern University, USA
Paper #3: Deconstructing Hedonic Experiences using Tensor Factorization
Karsten T. Hansen, University of California, San Diego, USA
Vishal Singh, New York University, USA
Paper #4: Online Reviews: Some Empirical Generalizations
Karsten T. Hansen, University of California, San Diego, USA
Vishal Singh, New York University, USA
TCR Scholarship for the Latin American Context—Session 1
Andres, Barrios, Universidad de los Andes, Colombia
Paper #1: Micro-Borrowing: Navigating the Responsibilities of an Indebted Life
Pilar Rojas Gaviria, Pontificia Universidad Católica de Chile, Chile
Domen Bajde, University of Southern Denmark, Denmark
Paper #2: Inclusive Food Distribution Network at Subsistence Markets: Kiteiras Project Research Experience
Marcos Ferreira Santos, Universidade FUMEC, Brazil
Andrés Barrios, Universidad de Los Andes, Colombia
Paper #3: Social Ties and Improved Well-Being: The Role of Wikimujeres in Colombian Women's Business
Development
Sonia Camacho, Universidad de los Andes, Colombia
Andrés Barrios, Universidad de Los Andes, Colombia
Paper #4: Out in the Open: Understanding Consumer Acceptance or Rejection of Colombia's Black Market
Mark S. Rosenbaum, Northern Illinois University & Universidad Externado, USA & Colombia
Mauricio Losada Otálora, CESA, Colombia
Germán Contreras Ramírez, Universidad Externado, Colombia
TCR Scholarship for the Latin American Context—Session 2
Andres, Barrios, Universidad de los Andes, Colombia
Paper #1: Choice Architecture, Norms and Sustainable Consumption
Carlos Andres Trujillo V., Universidad de Los Andes, Colombia
Catalina Estrada-Mejia, Universidad de los Andes, Colombia
Paper #2: Sustainability in Subsistence Marketplaces, a Community Challenge
Andrés Barrios, Universidad de Los Andes, Colombia
Sonia Camacho, Universidad de los Andes, Colombia
Paper #3: Sustainable Consumption: Driven by Purpose, Redirected by Emotions, Compromised by Income
Beatriz Pereira, Iowa State University, USA
Carlos Andres Trujillo V., Universidad de Los Andes, Colombia
Jose A. Rosa, Iowa State University, USA

#### viii / Table of Contents

Neuromarketing, Brain Emotions, and Decision Making
Angelika Dimoka, Temple University, USA
Paper #1: The Brain's Role in Decision making: Responses to Online and Printed Ad Campaigns
Angelika Dimoka, Temple University, USA
Vinod Venkatraman, Temple University, USA
Paper #2: Single Administration of Testosterone Impairs Cognitive Reflection in Men
Gideon Nave, University of Pennsylvania, USA
Amos Nadler, University of Western Ontario, Canada
David Zavs, ZRT Laboratories, USA
Colin Camerer, Caltech, USA
Paper #3: Design, Emotions, and Willingness-to-Pay
Ravindra Chitturi, Lehigh University, USA

## **Competitive Papers—Extended Abstracts**

Can the Brand Make Us Beautiful: A Study on Brand Transference
A Dilemma with Height: A Critical Review of Body Image and Clothing Choice for Men of Shorter Stature
A Conceptual Framework to Understand Responsible Consumption Behavior
Changing Moral Judgments of Short and Long Speculation: The Role of Moral versus Economic Arguments and the Consumer's Motivational Orientation
Magical Machines Meet Magical People.       28         Russell Belk, York University, Canada
The Role of Anxiety and Regret         After an Unsatisfactory Service Recovery.
Dramas of a Patriotic Brand: Conflicts on The Process of Legitimating The Local Belongingness of a Brand
Branded Urban Spaces and Exclusion in Post-Industrial Cities
Small but Moral: The impact of Firm Size and Gratitude on the         Effectiveness of Cause-Marketing Campaigns
Achieving Resonance in Liquid Consumption via Deceleration on the Camino de Santiago

Technology Readiness and E-Loyalty in B2C E-Commerce       42         Pedro Julián Ramírez-Angulo, Universidad Autónoma de Occidente, Colombia       42         Edison Jair Duque-Oliva, Universidad Nacional de Colombia, Colombia       60
How Can Logo Make An Inspirational Brand?
Micro and Small Enterprises' Challenges in Developing and Providing Goods to the Base of the Pyramid
<b>Decision Continuum of Consumers' Product Choice</b>
Motivational Characteristics of Online Shopping and Buying:         Impulsive and Compulsive Buying in E-Stores         Orhidea Edith Kiss, Eötvös Lorand University - Institute of Psychology, Hungary         Zoltán Veres, University of Pannonia - Department of Marketing, Hungary
Por Qué El Consumidor Cambia de Decisión. Evidencia Experimental Del Efecto de Mera Presentación (Why Consumer Change Their Minds: Experimental Evidence of presentation Effect)
International Marketing Strategies:         The Case of Colombian Small and Medium Enterprises         Ana Maria Parente-Laverde, Universidad de Medellín, Colombia         Juan Lucas Macias, Universidad de Medellín, Colombia
The Decision Making Process of Individual Credit Buying: an Analysis of the Effect for the Payment Conditions,         Type of Product and Individual Differences
Engagement – Experiencing Magic in the C2C Online Auction
"Olha Pro Céu, Meu Amor": Living the 'Sertão' through a Service Experience in an Interactive Museum
Paradoxes in Reward-Based Crowdfunding       64         Natalia Drozdova, Norwegian School of Economics, Norway       64         Ingeborg Astrid Kleppe, Norwegian School of Economics, Norway
Correlates of Consumer Confinement

x / Table of Contents
Influence of Trust and Security on the Intention to Shop Online       67         Silvana Dakduk, Universidad de la Sabana, Colombia       67         Diana Rojas, Universidad de la Sabana, Colombia       67
The Reasons for Choosing Popular:         Extending Naive Theories of Popularity with Uncertainty Reduction and Societal Value
An Upbeat Crowd: Fast In-Store Music Attenuates the Negative Effects         of High Social Density on Retail Sales
The Meanings for the Nipponese Tea Cerimony in the Southern Region of Brazil.
Is it Consumers or Brands? An Investigation of Who Is Ultimately Influencing Sales in Online Brand Communities
In Store Customer Experience: A First Approximation in the Construction of a Scale
Beyond Emotional Labor in Hedonic Servicescapes
The Cultural Agenda And Leisure Time In Medellín,         From The Perspective Of The Online Content Experiences Shared.         Laura Rojas De Francisco, Universidad EAFIT, Colombia         Juan Carlos Monroy Osorio, Universidad EAFIT, Colombia
The Role of Perceived Consumer Effectiveness in Recycling Behavior:         an Indirect Pathway Through Another Pro-environmental Behavior.         Sclaudia Arias, Universidad de Los Andes, Colombia
Financial Knowledge and Well-Being of Vulnerable Consumers:         The Financial Education Process of Low-Income Older People         Wilderson Moisés Furtado, FEA-USP, Brazil         João do Carmo Ribeiro Neto, FEA-USP, Brazil
(Religious) Scapular and Devotion: Extended Self and Sacralization
How Different Nutrition Information Formats         May Lead to Less Calorie Dense Food Choices         Julio Sevilla, University of Georgia, USA         Luis Torres, Georgia Gwinnett College, USA
Street Vending: Exploring the Transformative Impact of 'Forgotten' Services

Counterfeit Luxury Brand Consumption: Morality vs. Pleasure
Forgetting to Remember Our Experiences:         People Overestimate How Much They Will Retrospect About Personal Events         Tom Meyvis, New York University, USA         Stephanie Tully, University of Southern California, USA
Visual Artist Brand Personality Exploitation: Artist - Brand Alliances for Attracting New Consumers to a Brand
Service Employee Nonverbal Sexual Signals as a Predictor of Consumer Word-of-Mouth Intentions: A Caribbean Perspective
Local Brand Purchase Likelihood: An Investigation of Antecedents to Increase Consumer Preference
The Relevance of Urban Mobility for Consumer Research: An Interdisciplinary.       101         Juan C. Correa, Fundación Universitaria Konrad Lorenz, Colombia       101         Diana E. Forero, Fundación Universitaria Konrad Lorenz, Colombia       101
Consumer Behaviour Analysis Applied to Mobile Marketing
The Influence of Package Design on Consumer Preference       107         Ravindra Chitturi, Lehigh University, USA       104         Juan Carlos Londoño-Roldan, Pontificia Universidad Javeriana Cali, Colombia       107         Maria Cecilia Henriquez-Daza, Pontificia Universidad Javeriana Cali, Colombia       107         Ricardo Castaño, Pontificia Universidad Javeriana Cali, Colombia       107
Edgar Morin – The Uniduality of the Magical and the Real.       108         Søren Askegaard, University of Southern Denmark, Denmark
Why Do They Have It and Not I? Envy and Consumption       109         Kirla Ferreira, EAESP-FGV, Brazil       Delane Botelho, EAESP-FGV, Brazil
The Impact of Consumer Mood on Use of Mobile Payment
Brand Extensions and Construal Culture
Gone but Not Forgotten: Caribbean Consumer Reactions to Retro-Marketing
Impact of the Attractiveness of a Shopping Center in the Consumer Satisfaction:         The Moderator Role of the Motivations and the Frequency of Visits         Ma Margarita Orozco-Gómez, Tecnológico de Monterrey, Mexico         Eva M. González, Tecnológico de Monterrey, Mexico         Josep Rialp, Universidad Autónoma de Barcelona, Spain

xii / Table of Contents
My Magic is Stronger than Yours: An Exploration of Competitive Spirituality in Brazilian Religions
The Power of the Click: A Consumer-centric Approach using         Online Journey Mapping to Develop Consumer Personas and Predict Future Clicks.         Peter Voyer, University of Windsor, Canada         Dave Bussiere, University of Windsor, Canada         Gokul Bhandari, University of Windsor, Canada
Can Guilt be Repaired by Consumption? An Experimental Analysis of Brazilian Mothers
The Shopping Experience of the Middle Class Consumer of an         Emerging Country In Two Retail Formats       131         Giuseppina Marcazzo, Pontificia Universidad Javeriana-Cali, Colombia
Differentiation Based on the Value of Business Relations: How to Reach and Maintain the Provider Status.         An Analysis of the Buyer-Seller Relationship in an Emerging Economy       133         Guillermo, Buenaventura, Universidad ICESI, Colombia         Juan Antonio, Gudziol-Vidal, Universidad ICESI, Colombia
Better Safe than Sorry: Effects of Brand Hatred on Preferences for Competing Brands
Construction Process of a Destination Image: Applying the "Schemas" Concept
Giving Away The Data of Others: An Exploration of an Ownership Ambiguity Framework
<b>Diving and Sustainability: Does The Consumer Perceive Sacrifice In This Experience?</b>
<b>Tradition and Sacralization: When the Profane Aspects of a Street Fair Makes It Sacred</b>
What are You Hungry For?         An Analysis of Conditioning Stimuli of Meat-Eating Predisposition         Stephanie Barboza, Universidade Federal da Paraíba, Brazil         Diana Carvalho, Universidade Federal da Paraíba, Brazil         Adriana Bastos, Fundação Getulio Vargas, Brazil
Patanjali Ayurved- The Guru and the Myth-Making.       150         Bhupesh Manoharan, Indian Institute of Management Calcutta, Kolkata, India       Krishanu Rakshit, Indian Institute of Management Calcutta, Kolkata, India
<b>"Pay What You Want" Pricing: A Strategy for Integrating the Bottom of the Pyramid?</b>
Sex Differences in Customer Retaliatory Behaviors: The Role of Oxytocin?

From Consumption to Meaning: How Fans Consume Star Trek in Brazil
Online Brand Content Sharing on Social Networks – An Experiment Assessing the Role of Emotions on News and Advertising Online Sharing
Wilian R. Feitosa, IFSP, Brazil Delane Botelho, Fundação Getulio Vargas, Brazil
<b>Frugality: Antecedents, Consequents and Implications for Consumer Welfare</b>
Mobility Factors for Reducing Self-Reported Travel Times to Health Services
The Role of Brand Predisposed Preferences on the Effectiveness of Product Placement: Comparing Hispanic         and Non-Hispanic Moviegoers in the US       164         Sindy Chapa, Florida State University, USA         Alejandro Estrada, Florida State University, USA         Mengying Zhang, Florida State University, USA

### Index

Author Index	• • • •		•••	•••	••		•				•		••		•	•••		• •	•••	•••	• •	•			•	• •		•		•	••		• •	•	. 1	65
--------------	---------	--	-----	-----	----	--	---	--	--	--	---	--	----	--	---	-----	--	-----	-----	-----	-----	---	--	--	---	-----	--	---	--	---	----	--	-----	---	-----	----

xiv / Table of Contents

### **Special Session Summary**

### **Big Data and Consumer Behavior: Challenges & Solutions for Experimental and Observational Analyses**

Blakeley B. McShane, Northwestern University, USA

#### Paper #1: Single Paper Meta-analysis: Benefits for Study Summary, Theory-testing, and Replicability

Blakeley B. McShane, Northwestern University, USA Ulf Bockenholt, Northwestern University, USA

### Paper #2: Multilevel Multivariate Meta-analysis with Application to Choice Overload

Blakeley B. McShane, Northwestern University, USA Ulf Bockenholt, Northwestern University, USA

Paper #3: Deconstructing Hedonic Experiences using Tensor Factorization

Karsten T. Hansen, University of California, San Diego, USA Vishal Singh, New York University, USA

#### Paper #4: Online Reviews: Some Empirical Generalizations

Karsten T. Hansen, University of California, San Diego, USA Vishal Singh, New York University, USA

#### SESSION OVERVIEW

This session will discuss the challenges posed by the growing size and complexity of consumer research data as well as suggest solutions with a focus on understanding these issues through carefully motivated methodology and application to case studies. Paper #1 and Paper #2 provide guidance on the opportunities provided by taking a big data view for experimental data while Paper #3 and Paper #4 provide similar guidance for observational data. All four papers demonstrate how the growing size and complexity of consumer research data can be exploited to yield new insights for theory development and theory testing.

More specifically in terms of experimental data, when the number of subjects per study, the number of studies per paper, and the number of papers are all increasing, the importance of synthesizing a single paper in order to distill the results in a digestible format is increasingly important. Paper #1 discusses novel single paper metaanalysis methodology that achieves exactly this and illustrates it via application to papers recently published in JCR and JMR. Paper #2 goes an important step beyond Paper #1 and introduces novel meta-analytic methodology that accommodates the increasing complexity of consumer research data that include multiple dependent measures, moderators, effects of interest, study designs, contexts, manipulations, and measurement scale. It applies this technique to data from fifty-seven studies of choice overload, an important area of consumer research inquiry, yielding both new findings as well as implications for future studies.

Focusing on observational unstructured data, Paper #3 proposes a framework for deconstructing hedonic experiences based on users' subjective descriptions of experiences (in the form of text). Traditionally, in the ethnographic consumer research, scholars did this manually by simply reading the transcript. This paper shows how modern computational techniques empower researchers to automate this process in order to achieve massive scale and illustrates this with an application to the travel experiences of over 50,000 individuals. Paper #4 analyzes over 80 million amazon.com reviews. The focus of this paper is determining what makes reviews helpful to other consumers. Theory suggests that negative information is more diagnostic and helpful than positive information. The paper also explores the effect of expertise, review length and other characteristics on the perceived helpfulness of the review.

#### Single Paper Meta-analysis: Benefits for Study Summary, Theory-testing, and Replicability

Meta-analysis is a well-established statistical technique that synthesizes two or more studies of a common phenomenon. Because multiple studies provide more information about the common phenomenon than any single one of them, meta-analysis can offer a number of benefits. For example, insofar as the studies measure the common phenomenon with some degree of error, a meta-analysis, which pools the results from the studies via a weighted average, will yield an estimate that is on average more accurate than that of any individual study. In addition, the uncertainty in the meta-analytic estimate will typically be smaller than the uncertainty in the estimate of any individual study thereby inter alia increasing statistical power relative to individual studies and providing a means of resolution when individual studies yield so-called conflicting results. Further, meta-analysis allows for the investigation of differences among studies, for example by quantifying the impact of study- level covariates or the degree of between-study variation.

These benefits have been widely realized in behavioral research in traditional meta- analyses of studies that appear in multiple papers. However, they have only very seldom been realized in meta-analyses of studies that appear in a single paper. Indeed, a typical behavioral research paper features multiple studies of a common phenomenon that are analyzed solely in isolation. Because the studies are of a common phenomenon, this practice is inefficient and foregoes important benefits that can be obtained only by analyzing them jointly in a single paper meta-analysis (SPM).

In this paper, we introduce meta-analytic methodology that is specially tailored to the SPM of the set of studies that appear in a typical behavioral research paper. Our SPM methodology is userfriendly because it requires only basic summary information (e.g., means, standard deviations, and sample sizes); importantly, despite requiring only this basic summary information, the model underlying our SPM methodology is equivalent, by a principle known as statistical sufficiency, to that underlying the "gold standard" metaanalytic approach, namely an appropriately-specified hierarchical (or multilevel) model fit to the individual-level observations [Stewart and Tierney, 2002, Simmonds et al., 2005, Cooper and Patall, 2009, Haidich, 2010]. In addition, our SPM methodology is widelyapplicable; indeed, a literature review reveals that it could have been used in 86% of the behavioral research papers published in the three most recent volumes of the Journal of Consumer Research (Volumes 40-42).

Our SPM methodology provides important benefits for study summary, theory-testing, and replicability that we illustrate via three case studies that include papers recently published in the Journal of Consumer Research and the Journal of Marketing Research and that,

#### 2 / Big Data and Consumer Behavior: Challenges & Solutions for Experimental and Observational Analyses

as we further note in our discussion, are either not provided by or are provided only in part by alternative approaches. Specifically, it provides a graphical and quantitative summary of the studies. The graphical summary facilitates the communication and comparison of results within and across studies thus simplifying assessments of convergence while the quantitative summary provides a more precise estimate of each effect of interest as well as the uncertainty in this estimate. This increased precision is important for theory-testing because it allows for more powerful tests of posited effects. Further, these more powerful tests can deepen theory-testing by motivating new decompositions of the effects that investigate alternative explanations. Additionally, it provides an estimate of and accounts for between-study variation. This estimate of between-study variation can suggest unaccounted for moderators that have the potential to enrich theory while accounting for between-study variation improves calibration of Type I and Type II error. Finally, it provides sample size analyses for future studies and future sets of studies that account for the uncertainty associated with effect estimates as well as betweenstudy variation thus enhancing replicability.

Our SPM methodology has two additional benefits. First, because it requires only basic summary information and this information is often reported in papers, it allows readers as well as authors to conduct an SPM and obtain the benefits for study summary, theorytesting, and replicability discussed above. Second, because the reporting of an SPM is extremely concise, it allows authors to, if they desire, include in the SPM studies they have that are related to those reported in the paper but which themselves were not reported in the paper; this allows authors to provide further evidence about the phenomenon of interest without taking up a great deal of journal space and thus should enhance replicability.

Because our SPM methodology is user-friendly, widely applicable, and provides these manifold benefits, we advocate that authors of typical behavioral research papers use it to supplement the single-study analyses that independently discuss the multiple studies in the body of their papers as well as the "qualitative meta-analysis" that verbally synthesizes the studies in the general discussion of their papers. When used as such, this requires only a minor modification of current practice.

To facilitate this, we provide an easy-to-use website that implements our SPM method- ology. The website is available at

http://www.singlepapermetaanalysis.com/

It includes a detailed tutorial that shows how to replicate the case studies presented in this paper and how to apply it to new papers.

#### Multilevel Multivariate Meta-analysis with Application to Choice Overload

Contemporary psychological research can be dizzying in its complexity, and this complexity results in patterns of variation and covariation among the observations from a set of studies that requires careful treatment in meta-analysis. For example, individual studies in a given domain can vary considerably in terms of their dependent measures and moderators; examine multiple conditions that result from the experimental manipulation of those moderators and give rise to multiple dependent effects of interest (e.g., simple effects and interaction effects); employ a mix of study designs (e.g., unmoderated versus moderated, between-subjects versus within-subjects, univariate versus multivariate); and feature different contexts, treatment manipulations, and measurement scales. Further, individual papers feature multiple studies that, while different, are quite similar particularly in comparison to studies featured in other papers. However, the meta-analytic techniques typically employed in practice introduce a host of simplifications that fail to account for this complexity. For example, a common approach involves collapsing the observations from multiple conditions to form a single effect of interest; converting the effects to a common, standardized scale such as the Cohen's d scale (i.e., the difference between two means divided by the pooled standard deviation of the individual- level observations); and modeling the standardized effects via a linear mixed model with one or two variance component parameters. If differences in dependent measures or moderators are accounted for, this is typically done only via fixed main effects. These simplifications can result in among other things the neglect of differences in dependent measures and moderators and miscalibrated inference.

In this paper, we introduce multilevel multivariate meta-analysis methodology that better accounts for the complexity of contemporary psychological research data. In particular, our methodology directly models the observations from a set of studies in a manner that accounts for the variation and covariation induced by the facts that observations differ in their dependent measures and moderators and are nested within, for example, papers, studies, groups of subjects, and study conditions. We also introduce two theoretically interesting and extremely parsimonious special cases of our methodology.

Our methodology generalizes prior multivariate meta-analysis models in three important respects, namely to simultaneously accommodate (i) not two dependent measures but an arbitrary number of dependent measures; (ii) not a single effect of interest (arising from, for example, a two condition study) but an arbitrary number of study conditions that result from the experimental manipulation of moderators and give rise to multiple dependent effects of interest; and (iii) not two levels but an arbitrary number of levels that account for the variation and covariation induced by the fact that the observations are nested (e.g., within papers, studies, groups of subjects, and study conditions).

These extensions are important because they are motivated by and respectful of key features of contemporary psychological research data-in particular data from papers and studies of the choice overload hypothesis-and thereby allow our methodology to better account for the variation and covariation induced by the facts that observations differ in their dependent measures and moderators and are nested. Choice overload has already been the subject of two prominent meta-analyses [Scheibehenne et al., 2010, Chernev et al., 2015]. These meta- analyses employed different variations of the simplifications to the data and model discussed above and arrived at contradictory conclusions: Scheibehenne et al. [2010] "found a mean effect size of virtually zero" whereas Chernev et al. [2015] found that "the overall effect of assortment size on choice overload is significant."

To resolve this difference, we apply our methodology to the set of fifty-seven studies from twenty-one papers originally examined by Chernev et al. [2015]. By avoiding the simplifications employed in the two prior meta-analyses, our methodology more fully accounts for the complexity of choice overload data and provides richer insight.

For example, it shows that choice overload varies substantially as a function of the six dependent measures (i.e., assortment choice, choice deferral, option selection, regret, satisfaction, and switching likelihood) and four moderators (i.e., choice set complexity, decision task difficulty, preference uncertainty, and decision goal) examined in the domain and that there are potentially interesting and theoretically important interactions among them. For example, choice overload occurs for the high level of the decision task difficulty moderator when option selection or satisfaction is the dependent measure; however, it is reversed for the low level of the decision task difficulty moderator when option selection is the dependent measure while it is nullified when satisfaction is the dependent measure. It also occurs when there are no moderators regardless of the dependent measure while it fails to occur when there are moderators–regardless of the moderator level–when choice deferral is the dependent measure. In sum, while choice overload reliably occurs for some dependent measure / moderator combinations and it is reliably reversed for others, for still others the evidence is quite mixed.

It also shows that the various dependent measures have differing levels of variation (het- erogeneity). Specifically, choice deferral– a prominent and important dependent measure in the choice overload literature (e.g., it was the primary dependent measure featured in the original studies of choice overload by Iyengar and Lepper [2000])–is the dependent measure with by far the largest level of variation.

Finally, it shows levels up to and including the highest (i.e., the fifth, or paper, level) are necessary to capture the variation and covariation induced by the nesting structure. Failure to account for this results in miscalibrated inference.

Because our methodology is motivated by and respectful of key features of contemporary psychological research data-specifically in that it accommodates an arbitrary number of de- pendent measures, study conditions, and levels in the nesting structure–it is quite general and widely applicable and we expect it to yield rich insight in future applications. To facilitate its application, we provide an easy-to-use website that implements our methodology. The website is available at

https://blakemcshane.shinyapps.io/mlmvmeta/

It includes a detailed tutorial that shows how to replicate the choice overload analysis presented in this paper.

#### Deconstructing Hedonic Experiences using Tensor Factorization

In this talk we propose to use tensor factorization to the problem of deconstructing users' hedonic experiences. This involves (i) delineating the number of unique experiences, (ii) qualitatively describing each experience, and (iii) finding the valence of each experience (positive, negative or neutral). We also show how to link user characteristics to the likelihood of undergoing each experience.

While the proposed framework is general enough to include a wide variety of different data types, this talk will focus on text data. In other words, the source data is a corpus of documents where each document contains a given user's experience. For example, a document could be a user writing about a vacation to Hawaii or staying at a Las Vegas resort.

Tensor factorization – or more precisely *non-negative* tensor factorization - is based on a simple idea, namely that *the whole is the sum of the parts and the parts are non-negative*. The non-negative aspect of the deconstruction turns out to lead to decompositions that have much cleaner interpretations than traditional data reduction techniques such as principal components analysis or factor analysis. This has proven to be an extremely useful approach in areas such as image reconstruction, computer vision, music analytics, and text/ document classification.

In our proposed framework "the whole" is a (text) description of a user's experiences in a certain context (e.g., travel, product usage, personal reflection, etc.). The "parts" are constituent experiences making up the total. For example, a person might write an online review for travel web site of a visit to a resort in Mexico, detailing the various elements of the overall experience. Alternatively, it could be a recent college graduate reflecting on the experience of spending four years in college.

How exactly should one delineate the individual component experiences and their associated valence? This can be done manually by simply reading the text and interpreting the underlying themes. This is the standard practice in the qualitative or ethnographic consumer research tradition. In the travel scenario, examples of themes might be product and service related characteristics like the quality of the food at the resort or the rooms, but also more subjective experiences such as reflecting on spending time with loved ones or walking in nature. Extracting underlying themes or "base"-experiences from an overall description is, however, not possible when a larger number of user experiences are involved.

In this work, we document the usefulness of the proposed framework by deconstructing the experiences of over 50,000 users, each writing about their travel experience to a certain destination. This involves (i) quantifying the total number of unique experiences, (ii) the qualitative nature/interpretation of each experience (i.e., what is the experience?), and (iii) the valence of each unique experience (does it tend to increase or decrease the valuation of the overall experience). We should how users naturally can be clustered based on their propensity to write about the constituent experiences and how user characteristics (such as demographics, location or attitudes) affect this propensity.

This analysis allows us to address questions such as: Are there more negative than positive hedonic experiences? Do users agree on what the positive and negative experiences are? For example, there might be consensus among users on what the negative experiences are, but wild disagreement about the nature of the positive experiences. Broader implications for consumer behavior research and usefulness for managerial decision-making are also discussed. We also discuss various extensions to the framework such as allowing for changes in experiences over time and how to incorporate experimental variation in the framework.

#### **Online Reviews: Some Empirical Generalizations**

Online consumer reviews (OCR) provide opportunities for consumers to share their experiences and opinions about products/ services and are regarded among potential buyers as one of the most trusted sources of information. In this article, we analyze the information content in over 80 million reviews from amazon.com. The database is the universe of all reviews on the site (e.g., books, electronics, music, etc.) and spans over 15 years (1997-2014).

Building on previous literature, we construct a wide array of attributes to quantify the information content of reviews: length and timing of review, its syntactic and semantic features, star rating, as well as price and other characteristic of the product. Our analysis focuses on analyzing the 'helpfulness' of review based on votes by readers. In particular, we focus attention on the *helpfulness ratio* of a review, defined as the number of helpful votes ("I found this review helpful") divided by the number of total votes.

Theory suggests that consumers perceive negative information as more diagnostic and persuasive. For example, Rozin & Royzman [2001] argues that giving greater weight to negative information and experience is a bias that both humans and animals share. However, we find the helpfulness of a review to increase monotonically with the "star" rating of the review. With minor exceptions (e.g. subcategory 'electronic warranties'), this pattern is consistent across all product categories at amazon.com.

Interestingly, we find that this effect is strongly moderated by the overall quality of the product – the effect of star rating is much stronger for high-quality products than for low quality products. This

#### 4 / Big Data and Consumer Behavior: Challenges & Solutions for Experimental and Observational Analyses

means that a one-star review of a product that in general is highly rated is considered extremely unhelpful. On the other hand, a fivestar review of an overall poorly rated product doesn't impact the perceived helpfulness of the review very much.

A more detailed analysis highlights important asymmetries when users deviate from the "consensus" review. Previous researchers have argued that deviation from the consensus rating is considered unhelpful for both positive and negative deviations – with a more or less symmetric effect. For example, Danescu-Niculescu-Mizil, Cristian, *et* al. [2009] finds symmetric effects of deviating for the "norm" review in amazon.com book reviews. However, their analysis does not control for underlying product quality. When controlling for product quality, we find strong asymmetries when comparing helpfulness effects of positive and negative deviations. This is contrary to Danescu-Niculescu-Mizil, Cristian, *et al.* [2009].

In addition, we find that long reviews are in general considered more helpful than short reviews. Furthermore, we use information on the top 100K reviewers at amazon.com that provides us information on reviewer name (used for coding gender), location (city/state), and their reviews for all other products at amazon.com. We find systematic differences between heavy vs. occasional reviewers (what one might call "experts" vs. "novices") and between males vs. females in their language use, ratings, and length of reviews.

Implications for online retailers and service providers are discussed. More broadly, we discuss the use of large commercial databases for research on consumer behavior. We argue that many important questions and theories in consumer behavior and psychology can be tested and analyzed using non-experimental methods and data. This provides an important addition to existing methodologies in consumer behavior such as surveys and, of course, experimental methods.

#### REFERENCES

- A. Chernev, U. Bockenholt, and J. Goodman. Choice overload: A conceptual review and meta-analysis. *Journal of Consumer Psychology*, 25(2):333–358, 2015.
- H. Cooper and E. A. Patall. The relative benefits of meta-analysis conducted with individual participant data versus aggregated data. *Psychological methods*, 14(2):165, 2009.
- C. Danescu-Niculescu-Mizil, G. Kossinets, J. Kleinberg, and L. Lee. *Proceedings of WWW*, 2009.
- A. Haidich. Meta-analysis in medical research. *Hippokratia*, 14(1):29–37, 2010.
- Rozin, P., & Royzman, E. (2001). Negativity bias, negativity dominance, and contagion. *Personality and Social Psychology Review*, 5, 296-320.
- B. Scheibehenne, R. Greifeneder, and P. M. Todd. Can there ever be too many options? A meta-analytic review of choice overload. *Journal of Consumer Research*, 37(3):409–425, 2010.
- M. C. Simmonds, J. P. Higgins, L. A. Stewart, J. F. Tierney, M. J. Clarke, and S. G. Thompson. Meta-analysis of individual patient data from randomized trials: A review of methods used in practice. *Clinical Trials*, 2(3):209–217, 2005.
- L. A. Stewart and J. F. Tierney. To IPD or not to IPD? Advantages and disadvantages of systematic reviews using individual patient data. *Evaluation & the health professions*, 25 (1):76– 97, 2002.

#### TCR Scholarship for the Latin American Context—Session 1

Andres, Barrios, Universidad de los Andes, Colombia

Paper #1: Micro-Borrowing: Navigating the Responsibilities of an Indebted Life

Pilar Rojas Gaviria, Pontificia Universidad Católica de Chile, Chile

Domen Bajde, University of Southern Denmark, Denmark

Paper #2: Inclusive Food Distribution Network at Subsistence Markets: Kiteiras Project Research Experience

Marcos Ferreira Santos, Universidade FUMEC, Brazil Andrés Barrios, Universidad de Los Andes, Colombia

Paper #3: Social Ties and Improved Well-Being: The Role of Wikimujeres in Colombian Women's Business Development Sonia Camacho, Universidad de los Andes, Colombia Andrés Barrios, Universidad de Los Andes, Colombia

Paper #4: Out in the Open: Understanding Consumer Acceptance or Rejection of Colombia's Black Market

Mark S. Rosenbaum, Northern Illinois University & Universidad Externado, USA & Colombia Mauricio Losada Otálora, CESA, Colombia Germán Contreras Ramírez, Universidad Externado, Colombia

#### SESSION OVERVIEW

The Transformative Consumer Research movement was born around 12 years ago as an initiative to develop a scholarly agenda for improving "life in relation to the myriad conditions, demands, potentialities, and effects of consumption" (Mick 2006, p. 2). Although the initiative started with a focus on individuals' vulnerability in the marketplace, recent changes in the world have brought several pressing social problems (e.g. terrorism, online violence, migration, among others) highlighting the need for a broader research agenda (Davis et al 2016).

Over the last 12 years, TCR has evolved to become an academic movement that is inspiring other business areas such as services, with the "Transformative Service Research" movement (Rosenbaum et al. 2011). Nowadays, TCR develops an ambitious rigorous research agenda to improve individuals' well-being using different topics and different theoretical and methodological lenses (please see TCR's 2017 website for an example of the list of current themes covered).

The evolution of the TCR agenda has also internationalized the dialogue, especially at times when worldwide academic researchers are increasingly expected to demonstrate productive engagement with external constituencies (Davis, Ozanne, and Hill 2016). This also resonates with calls for the identification of the macro forces, such as the environmental and sociocultural context of a region, which provide the resources that can be leveraged to improve people's well-being (Mick et al. 2012, Shultz et al. 2012). Given the importance of the topic, we propose a double session to provide a geopolitical lens on the TCR research agenda:

Session 1 assembles four papers to discuss one of the traditional challenges faced by Latin American consumers: poverty. These papers analyze how consumers develop different legal and illegal practices to cope with their lack of resources. Session 2 assembles three papers to discuss an emergent but important issue worldwide: sustainability. These papers analyze alternatives to promote consumers' environmentally friendly practices at an individual and community levels.

Although consumers' culture is not limited by regional borders, it is shaped by the sociohistorical context (Chelekis and Figueiredo 2015). These research experiences currently developed in three Latin American countries (Colombia, Peru, and Brazil) highlight the relevance of the TCR movement for the region. Two general questions will be presented to the audience for discussion: 1) how do consumers cope with the current most pressing social problems faced by the region? And 2) how can academia build upon Latin American sociocultural elements to contribute to improve consumers' well-being? We expect these sessions to become a platform for: 1) Gaining insights for those interested in the intersection of social problems and academia; 2) Raising awareness about the challenges and opportunities for researchers pursuing TCR in Latin America; and 3) Building an informal network of researchers to continue developing the TCR research agenda.

#### Micro-borrowing: Navigating the Responsibilities of an Indebted Life

"... But down here, down Near the roots Is where memory Omits no remembrance And there are those who devote themselves And those who work hard And thus together achieve What used to be an impossible That everybody knows That the South also exists." From: El Sur También Existe, Mario Benedetti<sup>1</sup>

Drawing on a larger ongoing investigation in the outskirts of Lima and in the Amazonian plain, informed by interviews with microborrowers and employees from microfinance institutions, this manuscript illustrates how micro-borrowers handle the multiple sources of credit at their disposition (such as commercial banks, NGOs, microfinance institutions, private lenders, communitarian lenders, etc.). In most cases, these credit alternatives come with minimum requirements, guidance, or institutional support. Facing a growing number of credit offers, consumers at the bottom of the pyramid are particularly vulnerable. Conflicting desires, unchecked consumption, and the need for financial resources to combat tragic events or chronic illnesses can negatively transform micro-borrowers' financial wellbeing overnight, putting them at risk of over-indebtedness.

In contemporary societies, secure access to credit – guaranteeing a positive impact of the credit while at the same time protecting the credit-takers from its potential damaging effects – is considered to be a fundamental pillar in overcoming poverty (Hamilton et al. 2014; Hudon 2008). An important support on guaranteeing secure access to credit involves promoting a culture of responsibility among borrowers. The manuscript elaborates on this culture of responsibility, demonstrating how the success of well-being transformations, via these financial services, not only depends on institutional logics and neoliberal governance, but also on collective caring and solidarity, as well as on individual and communitarian capacity to overcome

<sup>1 &</sup>quot;...pero aquí abajo abajo/ cerca de las raíces/ es donde la memoria/ ningún recuerdo omite/ y hay quienes se desmueren/ y hay quienes se desviven/ y así entre todos logran/ lo que era un imposible/ que todo el mundo sepa/ que el Sur también existe" [Original text, base for free translation]

#### 6 / TCR Scholarship for the Latin American Context—Session 1

daily challenges with creative solutions. The manuscript shows how these well-being transformations get constructed on the basis of these three intersecting logics of responsibility:

- Self-responsibility for one's own destiny, advanced through practices of self-discipline and emotional control mechanisms such as praise, shame, or blame. These practices and mechanisms advance a responsibilization logic, commonly associated with neoliberal governance (Giesler and Veresiu 2014);
- (ii) The collective responsibility embedded in relations of dependency and reciprocity. Micro-borrowers leverage on pre-existing and new networks of support in which trust, care and solidarity are cultivated. These responsibility networks are theorized in anthropology of responsibility (Trnka and Trundle 2014); and
- (iii) The generative responsibility in which individuals and societies feel responsible for generating value. Microborrowers foster, through creativity in a context of vulnerability (Giaccardi and Magatti 2014), their capacity to imagine a better future (Arjun 2004), striving towards it in a generative manner by cultivating social hope, courage, resilience and stubbornness. Being at the same time creative and vulnerable, micro-borrowers take the responsibility to contribute with their own ideas and resources.

The co-existence of generative responsibility (Giaccardi and Magatti 2014), collective responsibility (Trnka and Trundle 2014) as well as self-responsibility (Giesler and Veresiu 2014) recreates the necessary conditions for the performance of responsible microborrowing. This pluralistic approach to responsibility challenges the dominant social representation of poverty alleviation in which "the route out of poverty is positioned and represented as an individual responsibility" (Hamilton et al. 2014, 1841). The pluralistic view on responsibility, here exposed, coincides with Hamilton et al. (2014)'s call for developing more transformative representations of poverty in consumer culture.

The pluralistic and transformative approach to responsibility, offered in the manuscript, also extends previous research on consumer responsabilization (Giesler and Veresieu 2014). Thus, the manuscript illustrates how a closer look at the mechanics of microborrowing, reveals that micro-borrowing does not merely rely on the poor learning to act as self-responsible economic agents, who rationally take credit and dutifully repay their debts. Instead, microborrowing also relies upon local networks of solidarity and care, which are sometimes strategically set up by financial institutions (e.g., Alcancias Comunales), and at other times extend well-beyond the realm of finance (kin and local community networks). Together, micro-borrowers learn to play the game and follow many rules, but also find ways to creatively negotiate them. Collectively, they try to survive the day while responsibly managing the current and future burdens of their financial debts. In this way, the pluralistic view on consumer responsibility offers a more transformative perspective on poverty by showing how local realities and social resources also take an active role in the understanding and negotiation of what a responsible behaviour should be.

In a nutshell, the manuscript argues in favour of extending our understanding of human responsibility beyond the mechanic conceptualization of responsibility through the prism of self-blame and self-praise. This reconceptualization will better account for the varied forms and collective networks of responsibility in which individuals are embedded. It will push further our understanding of responsibility, offering a more accurate view of the experience undergone by those who are to be responsible, and of their social resources and contributions for negotiating their way out of poverty. This more holistic reconceptualization will also be of utility to local and global institutions willing to investigate alternative forms of society through promoting a culture of responsibility and improving collective well-being.

#### Inclusive Food Distribution Network at Subsistence Markets: Kiteiras Project Research Experience

Taking people out of poverty has been a global aim for many years. Since the new millennium, the private sector has been called to develop new initiatives combining market principles with social and environmental factors that help poor communities (United Nations, 2000). One initiative is the business model known as the "bottom of the pyramid," which considers poor communities as a market segment with a high potential for returns (Prahalad & Hart, 2002).

However, after 15 years of the advent of the model, a number of studies have found some red flags. Deficiencies on the management side have made these businesses fail in developing their full potential (London, 2016), sometimes even taking advantage of the poor consumers' vulnerability (Viswanathan & Sridharan, 2009; Kirchgeorg & Winn, 2006), while promoting a consumption ideology with negative social and environmental consequences (Karnani, 2007; Davidson, 2009). Studies suggest that the cause of these problems lies in approaching these marketplaces with strategies that are traditionally used in affluent markets, without really understanding subsistence-marketing peculiarities (Viswanathan, Rosa, & Ruth, 2010). A business response to the previous situation has been instead implementing an "inclusive business" model whereby subsistence marketplace are not seen as a segment to which to sell, but rather, as a strategic partner to cooperate (Viswanathan & Sridharan, 2009).

This study analyzes a case of an "inclusive business" model for food distribution. In particular, the Kiteiras initiative developed by the French multinational company Danone in Brazil. This initiative objective is to develop an inclusive distribution channel to increase Danone's dairy products consumption in Brazil low-income household. The distribution channel employs women from low-income neighborhoods to promote, sell, and distribute Danone products door-to-door in the communities they reside.

The case shows the challenges in developing a customer driven food distribution system that harmoniously aligns the emerging consumers' food purchasing preferences (Ali, J., Kapoor, S., & Moorthy, J. 2010), the region marketplace offer (Wrigley, N., Guy, C., & Lowe, M. 2002), and the company logistic skill set (Baindur, D., & Macário, R. M. (2013). The Kiteiras' business model involves the alliance between Danone and local organizations for promoting, selling, and distributing their products by, and for, the low income consumers. Six processes (Mobilization, Recruitment, Development, Sales, Payment, and Product delivery), involving four main actors (Danone, Local Organizations, Distributors, Sellers, and Consumers), take place for Kiteiras' initiative to work.

The initiative results include providing: a) Danone with a growing door-to-door sales and distribution channel. This distribution channel has continuously grown incorporating new women and increasing product sales, even at times of economic downturn in Brazil. The initiative started selling around 22 tons of dairy products per month in Salvador city, and currently sells 148 tons of dairy products each month across Brazil. b) Local organization and their beneficiaries with work opportunities. Many employment programs have been developed by NGOs in Brazil's vulnerable regions but country economic situation limited their of job opportunities. The initiative started with 210 entrepreneurs in Salvador, and currently 2100 women are working across the country. c) Consumers with access to new nutritional products. The distribution channel has benefited around 80,000 people who now have access not only to nutritious products, but also to information about how to improve nutrition habits and health. Many of these people have incorporated the products to their diet, in some cases changing unhealthy nutritional habits in healthy ones.

#### Social Ties and Improved Well-Being: The Role of Wikimujeres in Colombian Women's Business Development

In some cultures, women have historically taken care of children or old adults at their households, bearing with this role of caregivers other responsibilities like buying groceries and paying bills. For example, in a city like Bogota (Colombia), it is estimated that 86% of caregivers are women (Guerrero Arciniegas, 2017). The roles played by women and socially accepted norms about their behavior can have large effects on the type of economic activities they can get involved with (e.g. entrepreneurial activities), and the individuals and agencies they can interact with (e.g. health facilities) (Fletschner & Kenney, 2011; Guerrero Arciniegas, 2017). Compared to men, women in developing countries tend to have access to jobs that pay less, demand lower levels of qualification, are more unstable in nature, and require only part-time dedication (Baquero, Guataqui, & Sarmiento, 2000; Fernández, 2006; Winchester, 2008).

Past research has shown that giving women access to, and control of, financial resources can bring about positive benefits for them, their families, and their communities (e.g. better fed children, more income allocated to health care and education) (Doss, 2006; Smith, Ramakrishnan, Ndiaye, Haddad, & Martorell, 2003; Thomas, 1997). In this sense, information and communication technologies (ICT) play an important role in developing countries in improving women's access to employment (e.g. through telework), income (e.g. through e-commerce transactions), and education (e.g. through online courses) (Hilbert, 2011). For example, ICTs can provide women entrepreneurs with e-business channels that have worldwide reach, have no time restrictions and can be operated while women are at home (Brodman & Berazneva, 2007; Morgan, Heeks, & Arun, 2004; Schaefer, 2007). In addition to the economic benefits brought about by ICTs, these technologies can also be used by women to build communities (Hilbert, 2011; Ng & Mitter, 2005).

Among the ICTs with the potential to empower women in developing countries, online communities (e.g. those found in social media) represent an opportunity that women can exploit to enlarge their networks and create or expand business opportunities. Social media are used by organizations to share information with their stakeholders and as tool for relationship building (Jansen, Zhang, Sobel, & Chowdury, 2009; Waters, Burnett, Lamm, & Lucas, 2009). For example, Lovejoy and Saxton (2012) found that non-profit organizations use microblogging services like Twitter for three major purposes: to provide information (e.g., news or reports), to facilitate the creation of an online community with their stakeholders (e.g. giving recognition, acknowledging local and current events), and to prompt action from the organizations' followers (e.g. promoting events, selling products).

Considering the limitations faced by women in developing countries and the opportunities offered by online communities to overcome such limitations, this study seeks to analyze how online communities can help women develop their businesses. The study uses the lens of Social Capital Theory, which relates to the benefits obtained from an individual's position in a social network (Granovetter, 1973; Putnam, 1993). Social capital has been shown to provide entrepreneurs with resources, support, and motivation (Bates, 1997;

#### Latin America Advances in Consumer Research (Volume 4) / 7

Manning, Birley, & Norburn, 1989; Weinstein, 1999), as well as with business capabilities and information (Gnyawali & Fogel, 1994; Peredo & Chrisman, 2006). With this theoretical framework in mind, this study aims to understand how the active participation in an online community contributes to the development of women's entrepreneurships.

In order to achieve the proposed research objective, a netnography of a women's online community –Wikimujeres- is currently under development. Wikimujeres is a Facebook-based community that was created in April of 2015 in Colombia. It is estimated that it had about 22 thousand members in Colombia and 45 thousand around the globe by the end of 2016 (Rios Lopez, 2016). The group was created with the goal of exchanging useful information and supporting entrepreneurships (Jet-set, 2016). In terms of businesses, women can: (1) promote and sell their products, (2) obtain discounts in products of other members' businesses, (3) obtain training at local universities (e.g. courses) that are partners of the group, and (4) attend events where an expert speaks of a topic of interest to the members (e.g. starting a business) (La República, 2016).

Preliminary results show that the number and the type of ties obtained in this community promote not only participants' bonding social capital (i.e., related to close relationships that provide emotional support and enable reciprocity), but also bridging social capital (i.e., related to distant relationships that provide access to novel and external information) (Granovetter, 1973; Wellman & Wortley, 1990). These results will be further discussed, aiming to provide a framework to understand how bridging social capital formed through the active participation in an online community contributes to the development of women's entrepreneurships.

#### Out in the Open: Understanding Consumer Acceptance or Rejection of Colombia's Black Market

Black market analysts note that the United States is the largest black market in the world, representing a \$625.5 billion market within a \$1.81 trillion global market. Today's global black market represents the selling of 50 contraband products (e.g., counterfeit drugs, electronics, foods, cigarettes, toys, auto parts, purses, batteries, and drugs, such as marijuana, cocaine, heroin) and illegal activities, (prostitution, human trafficking, human smuggling, and illegal gambling). Interestingly, black markets are typically clandestine, mobile, and temporal markets, which operate in informal places such as street corners, automobile trunks, back rooms, temporary "pop-up" shops (e.g., warehouses), private homes, or couched in the background of consumer-to-consumer markets; most notably, temporary marketplaces, such as those denoted as flea or night markets. However, in one country the black market flourishes as typical urban marketplaces, essentially discount malls, referred to as San Andresitos (Mattelart, 2012), despite their well-known association with selling contraband, smuggled, pirated, and counterfeit products, as well as being connected to illicit drug money--this country is Colombia.

To date, marketing academics have explored unethical shopping behaviors; primarily by investing consumer shoplifting, the abusing of liberal retailer return policies, and the purchasing of counterfeit products. Building upon this paradigm, we investigate why some consumers willingly opt to engage in business with, or refrain from doing with, "black market" retailers. By black market retailing, we refer to organized retail crime that involves the selling of merchandise that is prone to piracy, to counterfeiting, to cargo theft, or to tax evasion.

To explore the phenomenon of black market retailing, we hone in on present day Colombia. The country's black market retailers are referred to as "San Andresitos." Although black marketing involves

#### 8 / TCR Scholarship for the Latin American Context—Session 1

criminal activity, its acceptance began as a political decision in 1955. At that time, the Colombian government demarcated San Andres Island as a tax-free port to stimulate island tourism. However, Colombian retailers began to buy their products in this tax haven and to sell them in major cities. These retailers set up shop in specific zones of each city which became known as San Andresitos. Although San Andresitos actively engage in tax evasion, as well as in well-known and publicized smuggling and counterfeiting activities, black market retailers survive today in every major Colombia city.

Given the sensitivity of this topic in Colombia, we opted to analyze 800 responses to newspaper articles (El Tiempo, El Espectador and Revista Semana) between January 2015 and July of 2016 that discussed the topic of San Andresitos. Then, using grounded theory methodology, and treating each customer response as a unique piece of data, we put together an original theory that explores why consumers willingly do business with or refrain from doing with San Andresitos. The conceptual categories that explain why consumers purchase black products include:

- Humanistic: Consumers see black retailers as doing honest work for themselves and families, even though the products they sell are illegal.
- Source of value: Consumers enjoy the value obtained in the purchasing of black products, including counterfeits, piracy music, and products that bypass normal taxation.
- Revenge against government. Consumers see the success of San Andresitos as a means of taking revenge against the current Colombian government. Consumers see their purchases as helping workers who are fighting government corruption.
- Revenge against big stores. Consumers see major retailers as engaging in price gouging and of malfeasance, even though these stores are simply following national laws.
- Appear legal. Consumers see the fact that San Andresitos exist as evident that they are legal, despite the way they obtain and sell products.

Reasons why consumers refrain from doing business with San Andresitos include:

- Increase corruption. Given that many San Andresitos bribe local officials, many consumers view doing business with black retailers as fueling corruption.
- Tax evasion. Because black market retailers refrain from paying taxes, some customers see them as exploiting social systems, including pension funds and medical insurance.
- Retail nationalism. Some consumers see San Andresitos as impeding real retail expansion in Colombia.
- Support criminal activity. Given that San Andresitos are linked to criminal activities, including money laundering, kidnapping, and drugs, some consumers refrain from doing with them because of their concern for supporting crime.
- Selling danger. Some consumers refrain from doing business with black retailers because of real health dangers associated with buying inferior, including mislabeled, medicines, shampoo, food, and liquor. A consumer even mentioned how someone he knows went blind from fake medicine.

Reasons why consumers are mixed:

 Sometimes. Some consumers noted that they strategically purchase items from San Andresitos that will not harm them, such as fake clothes or designer apparel. However, they will not purchase health products, liquor, or food. The presentation concludes with a discussion of public policy implications and with the knowledge that black retailing is likely a mainstay in many developing countries. Although we cannot solve the problems inherent in black retailing, we can expose reasons why consumers willingly accept or reject this illegal and even dangerous retail consumption.

#### REFERENCES

- Angelsen, A. & Kaimowitz, D. (1999) Rethinking the Causes of Deforestation: Lessons from Economic Models. *The World Bank Research Observer*, 14, 73-98.
- Arjun, A. (2004). The Capacity to Aspire: Culture and the Terms of Recognition. In Culture and Public Action, ed. Vijayendra Rao and Michael Walton, Stanford, California: Stanford University Press, 59-84.
- Balderjahn, I., Buerke, A., Kirchgeorg, M., Peyer, M., Seegebarth, B., & Wiedmann, K. P. (2013). Consciousness for sustainable consumption: scale development and new insights in the economic dimension of consumers' sustainability. AMS *Review*, 3(4), 181-192.
- Baquero, J., Guataqui, J. C., & Sarmiento, L. (2000). Un marco analítico de la discriminación laboral. Teorías, Modalidades y Estudios para Colombia. *Borradores de Investigación Economía*, (8), 1-31.
- Bates, T. (1997). Financing small business creation: The case of Chinese and Korean immigrant entrepreneurs. *Journal of Business Venturing*, 12(2), 109-124.
- Brodman, J., & Berazneva, J. (2007). Transforming Opportunities for Women Entrepreneurs. *Information Technologies and International Development*, 4(2), 3-10.
- Brundtland, G. H. (1987). Our Common Future. Oxford: Oxford University Press.
- Chelekis, J. A., & Figueiredo, B. (2015). Regions and archipelagos of consumer culture: A reflexive approach to analytical scales and boundaries. *Marketing Theory*, 15(3), 321-345.
- Cohen, S., Doyle, W. J., & Baum, A. (2006). Socioeconomic status is associated with stress hormones. *Psychosomatic medicine*, 68(3), 414-420.
- Conning, J., & Kevane, M. (2002). Community-based targeting mechanisms for social safety nets: A critical review. World Development, 30(3), 375-394.
- Cordy, P., Veiga M., Salih I., Al-Saadi M., Console S., Garcia O., Mesa L., Velásquez-López P., and Roeser M. (2011). Mercury contamination from artisanal gold mining in Antioquia, Colombia: The world's highest per capita mercury pollution. *Science of the Total Environment, 410*, 154-160.

Cornelissen, G., Bashshur, M. R., Rode, J., & Le Menestrel, M. (2013). Rules or consequences? The role of ethical mind-sets in moral dynamics. *Psychological Science*, 24(4), 482-488.

- Davidson, K. (2009). Ethical Concerns at the Bottom of the Pyramid. *Journal of International Business Ethics*, 22-32.
- Davis, B., Ozanne, J. L., & Hill, R. P. (2016). The Transformative Consumer Research Movement. *Journal of Public Policy & Marketing*, 35(2), 159-169.
- Doss, C. (2006). The effects of intrahousehold property ownership on expenditure patterns in Ghana. *Journal of African Economies*, 15(1), 149-180.
- DuNann Winter, D., & Koger, S. M. (2004). *The psychology of* environmental problems. Mahwah, NJ: Lawrence Erlbaum.
- Fernández, M. (2006). Determinantes del diferencial por género en Colombia, 1997-2003. Desarrollo y Sociedad, 58(2), 165-208.

#### Latin America Advances in Consumer Research (Volume 4) / 9

Fletschner, D., & Kenney, L. (2011). Rural women's access to financial services: Credit, savings and insurance. The Food and Agriculture Organization of the United Nations.

Fredrickson, B. L., & Branigan, C. (2005). Positive emotions broaden the scope of attention and thought-action repertoires. *Cognition & Emotion*, *19*(3), 313-332.

Gardner, G. T., & Stern, P. C. (2002). *Environmental problems and human behavior* (2nd ed.). Boston, MA: Pearson Custom Publishing.

Gau, R., Ramirez, E., Barua, M. E., & Gonzalez, R. (2014). Community-based initiatives and poverty alleviation in subsistence marketplaces. *Journal of Macromarketing*, 34(2), 160-170.

Magatti, M., & Giaccardi, C. (2014). *Generativi di tutto il mondo* unitevi! Manifesto per la società dei liberi. Feltrinelli.

Giesler, M., & Veresiu, E. (2014). Creating the responsible consumer: Moralistic governance regimes and consumer subjectivity. *Journal of Consumer Research*, 41(3), 840-857.

Gnyawali, D. R., & Fogel, D. S. (1994). Environments for entrepreneurship development: Key dimension. *Entrepreneurship Theory and Practice*, 18(4), 43-63.

Goldstein, N.J., Cialdini, R.B., & Griskevicius, V. (2008). A room with a viewpoint: Using social norms to motivate environmental conservation in hotels. *Journal of Consumer Research*, 35, 472–482.

Granovetter, M. S. (1973). The strength of weak ties. *American Journal of Sociology*, 78(6), 1360.

Griskevicius, V., Tybur, J. M., & Van den Bergh, B. (2010). Going green to be seen: status, reputation, and conspicuous conservation. *Journal of Personality and Social Psychology*, 98(3), 392.

Gross, J. J., & Levenson, R. W. (1995). Emotion elicitation using films. Cognition & Emotion, 9(1), 87-108.

Guerrero Arciniegas, C. (January 12, 2017). Un POT con enfoque de género para las mujeres de Bogotá. Obtenido de El Espectador: http://www.elespectador.com/noticias/bogota/unpot-enfoque-de-genero-mujeres-de-bogota-articulo-674422

Hamilton, K., Piacentini, M. G., Banister, E., Barrios, A., Blocker, C. P., Coleman, C. A., Ekici, A., Gorge, H., Hutton, M., Passerard, F., & Saatcioglu, B. (2014). Poverty in Consumer Culture: Towards a Transformative Social Representation. *Journal of Marketing Management*, 30 (17-18), 1833-57.

Harland, P., Staats, H., & Wilke, H. A. (2007). Situational and personality factors as direct or personal norm mediated predictors of pro-environmental behavior: Questions derived from norm-activation theory. *Basic and Applied Social Psychology*, 29(4), 323-334.

Hart, S., & Sharma, S. (2004). Engaging fringe stakeholders for competitive imagination. *Academy of Management Executive*, 18(1), 7-18.

Hilbert, M. (2011). Digital gender divide or technologically empowered women in developing countries? A typical case of lies, damned lies, and statistics. *Women's Studies International Forum*, 34(6), 479-489.

Hübner, A., Holzapfel, A., & Kuhn, H. (2016). Distribution systems in omni-channel retailing. *Business Research*, 9(2), 255–296.

Hudon, M. (2008). Should Access to Credit Be a Right?. Journal of Business Ethics, 84 (1), 17-28.

Jansen, B. J., Zhang, M., Sobel, K., & Chowdury, A. (2009). Twitter Power: Tweets as Electronic Word of Mouth. *Journal of the American Society for Information Science and Technology*, 60(11), 2169-2188. Jet-set. (March 10, 2016). Wikimujeres, el poder femenino online. Obtenido de http://www.jetset.com.co/edicion-impresa/ temas-revista-jetset/articulo/jet-set-entrevisto-a-mujerescolombianas-que-hacen-parte-de-wikimujeres-el-poderfemenino-online/145774

Karnani, A. (2007). The mirage of marketing to the bottom of the pyramid: How the private sector can help alleviate poverty. *California Management Review*, 90-111.

Kirchgeorg, M., & Winn, M. (2006). Sustainability Marketing for the Poorest of the Poor. *Business Strategy and the Environment*, 15, 171-184.

La República. (April 25, 2016). Las prácticas detrás de la 'fraternidad' de WikiMujeres'. Obtenido de http://www. larepublica.co/las-pr%C3%A1cticas-detr%C3%A1sde-la-%E2%80%98fraternidad%E2%80%99-dewikimujeres 372116

Leach, M. & Mearns, R. (1991). Poverty and Environment in Developing Countries: An Overview Study, UK: ESRC.

Lindenberg, S., & Steg, L. (2007). Normative, Gain and Hedonic Goal Frames Guiding Environmental Behavior. *Journal of Social Issues*, 63, 117-137.

London, T. (2016). The Base of the Pyramid Promise. Stanford: Stanford University Press.

Lonergan, S. (1998). The Role of Environmental Degradation in Population Displacement. *Environmental Change and Security Project Report*, 4(Spring), 5-15.

Longoni, C., Gollwitzer, P. M., & Oettingen, G. (2014). A green paradox: Validating green choices has ironic effects on behavior, cognition, and perception. *Journal of Experimental Social Psychology*, 50, 158-165.

Lovejoy, K., & Saxton, G. D. (2012). Information, Community, and Action: How Nonprofit Organizations Use Social Media. *Journal of Computer-Mediated Communication*, 17, 337-353.

Macharis, C., & Kin, B. (2017). The 4 A's of sustainable city distribution: Innovative solutions and challenges ahead. *International Journal of Sustainable Transportation*, 11(2), 59–71.

Manning, K., Birley, S., & Norburn, D. (1989). Developing a new ventures strategy. *Entrepreneurship Theory and Practice*, 14(1), 68-80.

Martinez, J., (2004). El Ecologismo de los Pobres. Cheltenham, UK: Edward Elgar.

Mattelart, T. 2012. Audiovisual Piracy, Informal Economy, and Cultural Globalization." *International Journal of Communication*, 6, 735–750.

McDonough, W. & Braungart, M. (2002). Cradle to Cradle: Remaking the Way We Make Things. New York: North Point Press.

Mick, D. (2006). Presidential Address: Meaning and Mattering Through Transformative Consumer Research, in Advances in Consumer Research Volume 33, eds. Connie Pechmann and Linda Price, Duluth, MN : Association for Consumer Research, 1-4.

Mick, D. G., Pettigrew, S., Pechmann, C. C., & Ozanne, J. L. (Eds.). (2012). *Transformative consumer research for personal* and collective well-being. Routledge.

Millennium Ecosystem Assessment (2005). Ecosystems and Human Well-Being: Synthesis. Washington D.C: Island Press.

Morgan, S., Heeks, R., & Arun, S. (2004). Researching ICT-based enterprise for women in developing countries: A gender perspective. Manchester: Institute for Development Policy and Management (IDPM).

#### 10 / TCR Scholarship for the Latin American Context—Session 1

Myers, N. (1997). Environmental refugees. *Population and Environment, 19* (2), 167-182.

Ng, C., & Mitter, M. S. (2005). Gender and the Digital Economy: Perspectives from the Developing World. SAGE Publications.

Nordlund, A. M., & Garvill, J. (2003). Effects of values, problem awareness, and personal norm on willingness to reduce personal car use. *Journal of Environmental Psychology*, 23, 339-347.

Peloza, J., White, K., & Shang, J. (2013). Good and guilt-free: The role of self-accountability in influencing preferences for products with ethical attributes. *Journal of Marketing*, 77(1), 104-119.

Peredo, A. M., & Chrisman, J. J. (2006). Toward a theory of community-based enterprise. *Academy of Management Review*, 31(2), 309-328.

Popescu, G., & Iosim, I. (2015). The role of consumer behavior in issues related to the environment. *Research Journal of Agricultural Science*, 47, 121-126.

Prahalad, C. (2004). The Fortune at the Bottom of the Pyramid: Eradicating Poverty through Profits. Upper Saddle, NJ: Wharton School Publishing.

Prahalad, C., & Hart, S. (2002). The Fortune at the Bottom of the Pyramid. *Strategy+Business* (26).

Putnam, R. (1993). The prosperous community. *The American Prospect*, 4(13), 35-42.

Rios Lopez, L. (December 15, 2016). Wikimujeres, una comunidad más allá de un grupo de Facebook. Obtenido de El Heraldo: http://www.elheraldo.co/entretenimiento/wikimujeres-unacomunidad-mas-alla-de-un-grupo-de-facebook-311376

Rosenbaum, Mark, Corus, C., Ostrom, A., Anderson, L., Fisk, R., Gallan, A., Giraldo, M., Mende, M., Mulder, M., Rayburn, S., Shirahada, K., & Williams, J. (2011). Conceptualization And Aspirations Of Transformative Service Research. *Journal of Research for Consumers*, 19, 1–6.

Samuelson, C. D. (1990). Energy conservation: A social dilemma approach. *Social Behaviour*, *5*, 207-230.

Schaefer, D. (2007). Empowering Women Weavers? The Internet in Rural Morocco. Information Technologies and International Development, 4(2), 17-23.

Shultz, C., Deshpandé, R., Cornwell, T.B., Ekici, A., Kothandaraman, P., Peterson, M., Shapiro, S., Talukdar, D., & Veeck, A. (2012). Marketing And Public Policy: Transformative Research In Developing Markets. *Journal of Public Policy & Marketing*, 31(2), 178-184.

Smith, L., Ramakrishnan, U., Ndiaye, A., Haddad, L., & Martorell, R. (2003). The importance of women's status for child nutrition in developing countries. Washington, D.C.: International Food Policy Research Institute.

Steg, L., Dreijerink, L., & Abrahamse, W. (2005). Factors influencing the acceptability of energy policies: Testing VBN theory. *Journal of Environmental Psychology*, 25(4), 415-425.

Steg, L., Bolderdijk, J. W., Keizer, K., & Perlaviciute, G. (2014). An integrated framework for encouraging pro-environmental behaviour: The role of values, situational factors and goals. *Journal of Environmental Psychology*, 38, 104-115.

Steg, L., & Nordlund, A. (2012). Models to explain environmental behaviour. In L. Steg, A. E. van den Berg, & J. I. M. de Groot (Eds.), Environmental psychology: An introduction (pp. 185e195). Oxford, UK: John Wiley & Sons.

Thaler, R. H., & Sunstein, C. R. (2008). Nudge: Improving decisions about health, wealth, and happiness. New Haven, CT: Yale University Press. Thomas, D. (1997). Incomes, expenditures and health outcomes: Evidence on intrahousehold resource allocation. En L. Haddad, J. Hoddinott, & H. Alderman, Intrahousehold resource allocation in developing countries: Models, methods, and policy (págs. 142-164). Baltimore, ML: The Johns Hopkins University Press.

Thomas, D. & Twyman, C. (2005). Equity and Justice in Climate Change Adaptation amongst Natural-Resource-Dependent Societies. *Global Environmental Change*, 15(2), 115-124.

Trnka, S., & Trundle, C. (2014, April). Competing responsibilities: Moving beyond neoliberal responsibilisation. In Anthropological Forum (Vol. 24, No. 2, pp. 136-153). Routledge.

Trujillo, C.A., & Unda, J (2015), Estudio de Consumo Sostenible y Conocimientos Sobre Biodiversidad, Facultad de Administración, Universidad de los Andes.

United Nations. (2000). Millenium Development Goals. Washington D.C: United Nations.

United Nations, 2015. Sustainable Development Summit 2015. [En línea]

Available at: http://www.un.org/sustainabledevelopment/ es/2015/05/los-bosques-jugaran-un-papel-fundamental-en-laagenda-de-desarrollo-sostenible/

Viswanathan, M. (2013). Subsistence Marketplaces. Urbana-Champaing, IL: Etext Inc.

Viswanathan, M., & Sridharan, S. (2009). From Subsistence Marketplaces to Sustainable Marketplaces: A Bottom-Up Perspective of the Role of Business in Poverty Alleviation. *Ivey Business Journal* (On line), March-April.

Viswanathan, M., Rosa, J., & Ruth, J. (2010). Exchanges in marketing systems: The case of subsistence consumermerchants in: Chennai, India. *Journal of Marketing*, 74, 1-17.

Vlek, C., & Steg, L. (2007). Human behavior and environmental sustainability: Problems, driving forces and research topics. *Journal of Social Issues*, 63(1), 1-19.

Waters, R. D., Burnett, E., Lamm, A., & Lucas, J. (2009). Engaging stakeholders through social networking: How nonprofit organizations are using Facebook. *Public Relations Review*, 35(2), 102-106.

Weinstein, M. (1999). Railbirds, scouts, and independent booksellers: Towards a constructivist interpretation of new business formation. *Irish Marketing Review*, 12(1), 3-17.

Wellman, B., & Wortley, S. (1990). Different strokes from different folks: Community ties and social support. *American Journal of Sociology*, 96(3), 558-588.

Winchester, L. (2008). La dimensión económica de la pobreza y precariedad urbana en las ciudades latinoamericanas: Implicaciones para las políticas del hábitat. EURE, 34(103), 27-47.

World Wildlife Fund. (2012). *Living planet report 2012: Biodiversity, biocapacity, and better choices*. Gland, Switzerland: WWF International.

#### TCR Scholarship for the Latin American Context—Session 2

Andres, Barrios, Universidad de los Andes, Colombia

Paper #1: Choice Architecture, Norms and Sustainable Consumption

Carlos Andres Trujillo V., Universidad de Los Andes, Colombia

Catalina Estrada-Mejia, Universidad de los Andes, Colombia

## Paper #2: Sustainability in Subsistence Marketplaces, a Community Challenge

Andrés Barrios, Universidad de Los Andes, Colombia Sonia Camacho, Universidad de los Andes, Colombia

Paper #3: Sustainable Consumption: Driven by Purpose, Redirected by Emotions, Compromised by Income

Beatriz Pereira, Iowa State University, USA Carlos Andres Trujillo V., Universidad de Los Andes, Colombia

Jose A. Rosa, Iowa State University, USA

#### SESSION OVERVIEW

The Transformative Consumer Research movement was born around 12 years ago as an initiative to develop a scholarly agenda for improving "life in relation to the myriad conditions, demands, potentialities, and effects of consumption" (Mick 2006, p. 2). Although the initiative started with a focus on individuals' vulnerability in the marketplace, recent changes in the world have brought several pressing social problems (e.g. terrorism, online violence, migration, among others) highlighting the need for a broader research agenda (Davis et al 2016).

Over the last 12 years, TCR has evolved to become an academic movement that is inspiring other business areas such as services, with the "Transformative Service Research" movement (Rosenbaum et al. 2011). Nowadays, TCR develops an ambitious rigorous research agenda to improve individuals' well-being using different topics and different theoretical and methodological lenses (please see TCR's 2017 website for an example of the list of current themes covered).

The evolution of the TCR agenda has also internationalized the dialogue, especially at times when worldwide academic researchers are increasingly expected to demonstrate productive engagement with external constituencies (Davis, Ozanne, and Hill 2016). This also resonates with calls for the identification of the macro forces, such as the environmental and sociocultural context of a region, which provide the resources that can be leveraged to improve people's well-being (Mick et al. 2012, Shultz et al. 2012). Given the importance of the topic, we propose a double session to provide a geopolitical lens on the TCR research agenda:

Session 1 assembles four papers to discuss one of the traditional challenges faced by Latin American consumers: poverty. These papers analyze how consumers develop different legal and illegal practices to cope with their lack of resources. Session 2 assembles three papers to discuss an emergent but important issue worldwide: sustainability. These papers analyze alternatives to promote consumers' environmentally friendly practices at an individual and community levels.

Although consumers' culture is not limited by regional borders, it is shaped by the sociohistorical context (Chelekis and Figueiredo 2015). These research experiences currently developed in three Latin American countries (Colombia, Peru, and Brazil) highlight the relevance of the TCR movement for the region. Two general questions will be presented to the audience for discussion: 1) how do consumers cope with the current most pressing social problems faced by the region? And 2) how can academia build upon Latin American sociocultural elements to contribute to improve consumers' well-being? We expect these sessions to become a platform for: 1) Gaining insights for those interested in the intersection of social problems and academia; 2) Raising awareness about the challenges and opportunities for researchers pursuing TCR in Latin America; and 3) Building an informal network of researchers to continue developing the TCR research agenda.

#### Choice architecture, norms and sustainable consumption

Environmental problems are caused not only by industrial production but also by consumption patterns and behaviors of consumers (World Wildlife Fund, 2012; Popescu & Iosim, 2015; DuNann Winter & Koger, 2004; Gardner & Stern, 2002; Vlek & Steg, 2007). Many Latin American countries are experiencing significant progresses in their economies and it is expected that this will yield an increase in citizens' available income and consumption levels. However, such advancement may negatively impact environmental conditions in these countries.

Therefore, studying how we can promote pro-environmental behavior and sustainable consumption is of crucial importance for Latin America. It has been shown that people in Latin American countries are generally very concerned about the environment. However, to attain sustainability in the environment, it is the commitment to consume in a sustainable manner - rather than the concern or short-term actions - that are important to achieve long-term social changes. This paper advances knowledge about mechanisms that affect pro-environmental behavior and sustainable consumption, and identify simple and actionable interventions that promote these virtuous behaviors.

We investigate the extent to which consumers are likely to engage in pro-environmental behavior and sustainable consumption when social and/or moral norms activate those behaviors. Consumers often experience conflict when they have to decide whether to consume in a sustainable way (Lindenberg & Steg, 2007; Nordlund & Garvill, 2003; Samuelson, 1990; Steg, Dreijerink, & Abrahamse, 2005; Steg & Nordlund, 2012). Sustainable consumption is intended to benefit others (including future generations) and nature. However, acting in sustainable ways can be costly (in time, effort and money) for the consumer (Steg & Nordlund, 2012). We propose that consumers use social and/or moral norms to solve these conflicts. Specifically, they use the information from the norm to decide about the appropriate behavior. Imagine that you are in a hotel room and are unsure of whether you should reuse the towel or not. How do you know what to do? A well-known study showed that guests in a hotel were more likely to reuse the towel when they were informed that a certain percentage of guests in that room reused that towel (Goldstein, Cialdini, & Griskevicius, 2008). This study exemplifies how the activation of a social norm was used to motivate people to reuse the towel.

However, we further propose that some pro-environmental behaviors and sustainable consumption decisions are better explained by the activation of moral norms instead of social norms. One of the consequences of this is that the behavior no longer depends on what the others are doing but on personal considerations. In the first part of the paper we investigate whether choosing non-environmentallyfriendly products or services, and behaving in ways that can poten-

#### 12 / TCR Scholarship for the Latin American Context—Session 2

tially damage the environment are perceived as moral or social transgressions. We ask participants to determine the moral and/or social dimension of different hypothetical situations (e.g., not closing the water while you brush your teeth; throw garbage in a river). We also ask them to report the emotions they would experience if they were the transgressors and the emotions they would experience if they observe someone committing the transgression.

Next, drawing on literature on choice architecture we explore whether cues in the decision environment can activate either moral or social norms. Choice architecture refers to the physical and symbolic environment that decision-makers face at the point where they make a decision (Thaler & Sunstein, 2008). Moreover, interventions using choice architecture (e.g., changing the conditions and information that people have to make decisions) have shown to be a valuable tool to influence behavior (Thaler & Sunstein, 2008). We explore whether choice architecture may be directed to activate social norms in some cases and moral norms in other cases, and the effect of these two different norms on people's behaviors. To investigate these mechanisms we design lab experiments manipulating choice environments and testing for differences in both the decisions and in the observed mechanism (activation of moral norms or social norms). We use different behavioral measures to better understand the effect of choice architecture and norm activation on consumers' pro-environmental behavior and sustainable consumption.

Our findings provide important insights on whether and how the choice environments in which consumers make decisions affect pro-environmental behavior and sustainable consumption. Also, it expands our understanding on which norms (social or moral) affect sustainable consumption. Finally, these results reveal how choice architecture can be used by policy makers to promote pro-environmental behavior and sustainable consumption, in order to improve consumers' well-being.

#### Sustainability in Subsistence Marketplaces, a Community Challenge

Nature and biodiversity are essential to human life. However, man's excessive use of natural resources for economic development has fostered undesirable changes (McDonough & Braungart, 2002), threatening even the world's future survival (Millennium Ecosystem Assessment, 2005). The Brundtland report defines sustainable development as the use of resources to satisfy the needs of present generations, without compromising the possibilities for future ones to meet theirs (Brundtland, 1987). This intergenerational perspective of sustainability has been complemented by viewpoints that set out the effects of such environmental problems on present generations, especially when it comes to the most vulnerable communities (Matinez, 2004).

Webster's dictionary defines a vulnerable person as one who is "capable of being physically or emotionally wounded." Within this definition, poverty is a factor of vulnerability, whereby people's socio-economic situation makes them likely to be hurt by environmental degradation. For example, in developing countries, most of the poor live in regions subject to environmental risks (Leach & Mearns, 1991). This creates a paradox, because those people or communities with the smallest ecological footprint are the ones suffering the most of the global environmental effects (Thomas & Twyman, 2005).

Currently, both poverty and environmental degradation have increased in developing countries fostering a need to understand this relationship and to propose alternatives for its mitigation. However, this is much like the chicken and the egg situation: In some cases, poverty has been seen as causing environmental degradation due to people's development of non-environmental sustainable practices in order to survive. Illegal mining in Colombia (Cordy et al., 2011) and deforestation in India (Angelsen & Kaimowitz, 1999) are some examples of this situation. In other cases, environmental degradation has been considered to cause poverty due to a lack of resources needed for people's survival. The diminishment of water sources in China (Lonergan, 1998) and "El niño" climate phenomenon in Latin America (Myers, 1997) have contributed to people's displacement, which in turn causes the migrants' socio-economic destabilization. In any of those views, it is undeniable the interrelationship between living in a vulnerable community and facing negative consequences for the environment. Therefore, and following the UN Vice Secretary's advice, in order to fight climate change (and its consequences), it is necessary to understand first the importance of the environment for the culture and economies of the communities and, in particular, for the most vulnerable that depend on these natural resources for their survival (United Nations, 2015)

Over the last 15 years, community based initiatives (CBI) have emerged as a positive bottom-up alternative for reaching a sustainable development of subsistence marketplaces. This type of initiative takes place wherein individuals cooperate with one another to obtain mutually beneficial arrangements in the short and long term, making communities both the agents and objects of their economic development (Gau et al., 2014). Although different disciplines, including marketing, have studied the benefits of CBIs for the development of social programs (Conning and Kevane, 2002; Gau et al., 2014), the literature has not addressed the managerial and policy challenges these initiatives face when implemented in subsistence marketplaces.

This study aims to a) analyze how Community Based Initiatives could be an effective management approach for promoting sustainable development in subsistence marketplaces, b) identify the challenges for the implementation of these initiatives, and c) discuss the public policy alternatives to overcome them. To achieve this, the study follows an interpretative approach focusing on twelve project managers of community based initiatives within Colombia. The results of this study will provide practitioners and policy makers the benefits and challenges of community strategies for promoting sustainable practices in subsistence marketplaces.

#### Sustainable Consumption: Driven by Purpose, Redirected by Emotions, Compromised by Income

This research focuses on sustainable consumption decisions made by consumers, and seeks to identify differences across social boundaries that may have geopolitical implications. The overarching objective is to understand how enduring values and context-induced emotions influence decision consistency and persistence. The investigation contrasts samples from Colombia and the US as distinct social environments, and will query consumers in each social milieu across socio-economic levels. Affluent consumers in both settings are used as a benchmark for identifying salient differences among low income consumers. Understanding these differences contributes to the development of plausible interventions that would help make consumption decisions, be they done by affluent or poor consumers, more economically, socially, and ecologically sustainable, and salutary to long term well-being. Increased sustainability and improved well-being are both important global objectives in contemporary consumer research. Under the well-being umbrella, the project touches on two topic areas identified by Transformative Consumer Research: reduction of social and ecological degradation and disadvantaged (vulnerable) consumers.

Consumer behavior scholars across several disciplines seek to understand sustainable consumption well enough to inform institutional policies and marketing practice. Dispositional factors (e.g., Harlan, Staats, & Wilkie 2007), self-concept (e.g., Griskevicius, Tybur, & Van den Bergh 2010), self-monitoring (Peloza, White, & Shang 2013), validating past behaviors (e.g., Longoni, Gollwitzer, & Oettingen, 2014), and enduring values (e.g., Cornelissen, Banshur, Rode, & LeMenestrel, 2013) have been found to exert modest influence on ecologically, socially, and economically sustainable consumption; and investigations continue around the world. In addition, it has been highlighted that human values play an important role on sustainable consumption behaviors, but the triggering of such values requires the concurrent activation of select situational factors in order to elicit desired sustainable behaviors (Steg et al., 2014).

Building on Steg et al. (2014), this project explores the interaction between value networks (in which sustainability is ingrained) and situationally activated emotions. Cultural and context specific factors are expected to determine the way in which such relationships are manifest. The first project stage focuses on the influence of context induced emotions on pro-environmental behavior (Kotler, 2014) in samples of students from Colombia and the US. We expect no differences between the country samples when it comes to the main effects of induced emotions. We anticipate that positive emotions (hope, happiness) will increase engagement and allocated cognitive resources that lead to enhanced compliance with desired sustainable practices, while negative emotions (anxiety, sadness, anger) reduce attention, drain cognitive capacity, and will likely reduce compliance with desirable sustainable consumption. Moreover, three effects are expected from negative emotions: increased intertemporal discounting (from sadness), increased information search and willingness to comply (from anxiety), and decreased prosocial behavior (from anger).

Early exploration looked at whether or not incidental discrete negative emotions have an influence on peoples reported sustainable behaviors and attitudes. Two hundred fifty-two students from a U.S. university (mean age = 21.2, 30% female) completed the experiment for course credit. The study randomly assigned participants to view film clips that induced anger, sadness, anxiety or a neutral state (Fredrickson & Branigan, 2005; Gross & Levenson, 1995). Manipulation checks reveal that the four manipulations worked as intended, with participants' emotional scores being higher on target emotions than in non-target emotions. Statistical significance was achieved at the p < .05 level with the exception of sadness and neutral conditions in the "neutral" score.

Immediately after viewing the film clips, participants responded to questions from scales related to sustainable consumption practices, attitudes, and beliefs (Balderjahn et al., 2013; Trujillo & Unda, 2015). As predicted, participants in the anxiety condition reported higher willingness to engage and displayed more concern with sustainability practices than participants in the neutral or anger conditions. Participants in an anxious state reported consuming more sustainability related information (e.g. "I read news articles about sustainability.") than participants in other conditions (all p's < .05). Anxious participants also believe that individuals have more responsibility over economic prosperity and reported knowing about social, economic and environmental sustainability more than participants in the neutral condition (all p's < .05).

On the other hand, participants in the anger condition display lower levels of prosocial behavior, especially when compared to anxious participants. Angry participants believe less strongly that the world need to change to ensure quality of life for individuals than anxious participants (p < .05). Angry participants also report purchasing products when absolutely required less than participants in the anxious condition (p < .05). Interestingly, participants in the anxiety condition also display a fairly instrumental view of sustainable

#### Latin America Advances in Consumer Research (Volume 4) / 13

practices, and report more interest in sustainable products when they are easy to find and durable than participants in the anger condition.

Our initial results suggest that negative emotions can influence sustainability intentions and practices in various ways. Whether or not the increased interest in sustainable practices identified in anxious participants generates behavioral effects on sustainable consumption downstream remains an empirical question that will be addressed in future research. Subsequent project stages will also collect data from subsistence consumers, where cultural differences in both value networks and the influence of emotions are likely. The prevalence of emotional distress among subsistence consumers (Cohen et al., 2006) suggests that sadness, anxiety, and anger may be abundant, which in turn suggests that consumers living in poverty may be more easily swayed away from their own goal-directed behavior even in areas that would have a direct impact on family well-being, such as economic, social, and ecological domains.

#### REFERENCES

- Angelsen, A. & Kaimowitz, D. (1999) Rethinking the Causes of Deforestation: Lessons from Economic Models. *The World Bank Research Observer*, 14, 73-98.
- Arjun, A. (2004). The Capacity to Aspire: Culture and the Terms of Recognition. In Culture and Public Action, ed. Vijayendra Rao and Michael Walton, Stanford, California: Stanford University Press, 59-84.
- Balderjahn, I., Buerke, A., Kirchgeorg, M., Peyer, M., Seegebarth, B., & Wiedmann, K. P. (2013). Consciousness for sustainable consumption: scale development and new insights in the economic dimension of consumers' sustainability. *AMS Review*, 3(4), 181-192.
- Baquero, J., Guataqui, J. C., & Sarmiento, L. (2000). Un marco analítico de la discriminación laboral. Teorías, Modalidades y Estudios para Colombia. *Borradores de Investigación Economía*, (8), 1-31.
- Bates, T. (1997). Financing small business creation: The case of Chinese and Korean immigrant entrepreneurs. *Journal of Business Venturing*, 12(2), 109-124.
- Brodman, J., & Berazneva, J. (2007). Transforming Opportunities for Women Entrepreneurs. *Information Technologies and International Development*, 4(2), 3-10.
- Brundtland, G. H. (1987). Our Common Future. Oxford: Oxford University Press.
- Chelekis, J. A., & Figueiredo, B. (2015). Regions and archipelagos of consumer culture: A reflexive approach to analytical scales and boundaries. *Marketing Theory*, *15*(3), 321-345.
- Cohen, S., Doyle, W. J., & Baum, A. (2006). Socioeconomic status is associated with stress hormones. *Psychosomatic medicine*, 68(3), 414-420.
- Conning, J., & Kevane, M. (2002). Community-based targeting mechanisms for social safety nets: A critical review. World Development, 30(3), 375-394.
- Cordy, P., Veiga M., Salih I., Al-Saadi M., Console S., Garcia O., Mesa L., Velásquez-López P., and Roeser M. (2011). Mercury contamination from artisanal gold mining in Antioquia, Colombia: The world's highest per capita mercury pollution. *Science of the Total Environment*, 410, 154-160.
- Cornelissen, G., Bashshur, M. R., Rode, J., & Le Menestrel, M. (2013). Rules or consequences? The role of ethical mind-sets in moral dynamics. *Psychological Science*, 24(4), 482-488.
- Davidson, K. (2009). Ethical Concerns at the Bottom of the Pyramid. Journal of International Business Ethics, 22-32.

#### 14 / TCR Scholarship for the Latin American Context—Session 2

Davis, B., Ozanne, J. L., & Hill, R. P. (2016). The Transformative Consumer Research Movement. *Journal of Public Policy & Marketing*, 35(2), 159-169.

Doss, C. (2006). The effects of intrahousehold property ownership on expenditure patterns in Ghana. *Journal of African Economies*, 15(1), 149-180.

DuNann Winter, D., & Koger, S. M. (2004). *The psychology of environmental problems*. Mahwah, NJ: Lawrence Erlbaum.

Fernández, M. (2006). Determinantes del diferencial por género en Colombia, 1997-2003. Desarrollo y Sociedad, 58(2), 165-208.

Fletschner, D., & Kenney, L. (2011). Rural women's access to financial services: Credit, savings and insurance. The Food and Agriculture Organization of the United Nations.

Fredrickson, B. L., & Branigan, C. (2005). Positive emotions broaden the scope of attention and thought-action repertoires. *Cognition & Emotion*, 19(3), 313-332.

Gardner, G. T., & Stern, P. C. (2002). *Environmental problems and human behavior* (2nd ed.). Boston, MA: Pearson Custom Publishing.

Gau, R., Ramirez, E., Barua, M. E., & Gonzalez, R. (2014). Community-based initiatives and poverty alleviation in subsistence marketplaces. *Journal of Macromarketing*, 34(2), 160-170.

Magatti, M., & Giaccardi, C. (2014). Generativi di tutto il mondo unitevi! Manifesto per la società dei liberi. Feltrinelli.

Giesler, M., & Veresiu, E. (2014). Creating the responsible consumer: Moralistic governance regimes and consumer subjectivity. *Journal of Consumer Research*, 41(3), 840-857.

Gnyawali, D. R., & Fogel, D. S. (1994). Environments for entrepreneurship development: Key dimension. *Entrepreneurship Theory and Practice*, 18(4), 43-63.

Goldstein, N.J., Cialdini, R.B., & Griskevicius, V. (2008). A room with a viewpoint: Using social norms to motivate environmental conservation in hotels. *Journal of Consumer Research*, 35, 472–482.

Granovetter, M. S. (1973). The strength of weak ties. *American Journal of Sociology*, 78(6), 1360.

Griskevicius, V., Tybur, J. M., & Van den Bergh, B. (2010). Going green to be seen: status, reputation, and conspicuous conservation. *Journal of Personality and Social Psychology*, 98(3), 392.

Gross, J. J., & Levenson, R. W. (1995). Emotion elicitation using films. Cognition & Emotion, 9(1), 87-108.

Guerrero Arciniegas, C. (January 12, 2017). Un POT con enfoque de género para las mujeres de Bogotá. Obtenido de El Espectador: http://www.elespectador.com/noticias/bogota/unpot-enfoque-de-genero-mujeres-de-bogota-articulo-674422

Hamilton, K., Piacentini, M. G., Banister, E., Barrios, A., Blocker, C. P., Coleman, C. A., Ekici, A., Gorge, H., Hutton, M., Passerard, F., & Saatcioglu, B. (2014). Poverty in Consumer Culture: Towards a Transformative Social Representation. *Journal of Marketing Management*, 30 (17-18), 1833-57.

Harland, P., Staats, H., & Wilke, H. A. (2007). Situational and personality factors as direct or personal norm mediated predictors of pro-environmental behavior: Questions derived from norm-activation theory. *Basic and Applied Social Psychology*, 29(4), 323-334.

Hart, S., & Sharma, S. (2004). Engaging fringe stakeholders for competitive imagination. *Academy of Management Executive*, 18(1), 7-18. Hilbert, M. (2011). Digital gender divide or technologically empowered women in developing countries? A typical case of lies, damned lies, and statistics. *Women's Studies International Forum*, 34(6), 479-489.

Hübner, A., Holzapfel, A., & Kuhn, H. (2016). Distribution systems in omni-channel retailing. *Business Research*, 9(2), 255–296.

Hudon, M. (2008). Should Access to Credit Be a Right?. Journal of Business Ethics, 84 (1), 17-28.

Jansen, B. J., Zhang, M., Sobel, K., & Chowdury, A. (2009). Twitter Power: Tweets as Electronic Word of Mouth. *Journal of the American Society for Information Science and Technology*, 60(11), 2169-2188.

Jet-set. (March 10, 2016). Wikimujeres, el poder femenino online. Obtenido de http://www.jetset.com.co/edicion-impresa/ temas-revista-jetset/articulo/jet-set-entrevisto-a-mujerescolombianas-que-hacen-parte-de-wikimujeres-el-poderfemenino-online/145774

Karnani, A. (2007). The mirage of marketing to the bottom of the pyramid: How the private sector can help alleviate poverty. *California Management Review*, 90-111.

Kirchgeorg, M., & Winn, M. (2006). Sustainability Marketing for the Poorest of the Poor. Business Strategy and the Environment, 15, 171-184.

La República. (April 25, 2016). Las prácticas detrás de la 'fraternidad' de WikiMujeres'. Obtenido de http://www. larepublica.co/las-pr%C3%A1cticas-detr%C3%A1sde-la-%E2%80%98fraternidad%E2%80%99-dewikimujeres 372116

Leach, M. & Mearns, R. (1991). Poverty and Environment in Developing Countries: An Overview Study, UK: ESRC.

Lindenberg, S., & Steg, L. (2007). Normative, Gain and Hedonic Goal Frames Guiding Environmental Behavior. *Journal of Social Issues*, 63, 117-137.

London, T. (2016). The Base of the Pyramid Promise. Stanford: Stanford University Press.

Lonergan, S. (1998). The Role of Environmental Degradation in Population Displacement. *Environmental Change and Security Project Report*, 4(Spring), 5-15.

Longoni, C., Gollwitzer, P. M., & Oettingen, G. (2014). A green paradox: Validating green choices has ironic effects on behavior, cognition, and perception. *Journal of Experimental Social Psychology*, 50, 158-165.

Lovejoy, K., & Saxton, G. D. (2012). Information, Community, and Action: How Nonprofit Organizations Use Social Media. *Journal of Computer-Mediated Communication*, 17, 337-353.

Macharis, C., & Kin, B. (2017). The 4 A's of sustainable city distribution: Innovative solutions and challenges ahead. *International Journal of Sustainable Transportation*, 11(2), 59–71.

Manning, K., Birley, S., & Norburn, D. (1989). Developing a new ventures strategy. *Entrepreneurship Theory and Practice*, 14(1), 68-80.

Martinez, J., (2004). El Ecologismo de los Pobres. Cheltenham, UK: Edward Elgar.

Mattelart, T. 2012. Audiovisual Piracy, Informal Economy, and Cultural Globalization." *International Journal of Communication*, 6, 735–750.

McDonough, W. & Braungart, M. (2002). Cradle to Cradle: Remaking the Way We Make Things. New York: North Point Press.

#### Latin America Advances in Consumer Research (Volume 4) / 15

Mick, D. (2006). Presidential Address: Meaning and Mattering Through Transformative Consumer Research, in Advances in Consumer Research Volume 33, eds. Connie Pechmann and Linda Price, Duluth, MN : Association for Consumer Research, 1-4.

Mick, D. G., Pettigrew, S., Pechmann, C. C., & Ozanne, J. L. (Eds.). (2012). *Transformative consumer research for personal* and collective well-being. Routledge.

Millennium Ecosystem Assessment (2005). Ecosystems and Human Well-Being: Synthesis. Washington D.C: Island Press.

Morgan, S., Heeks, R., & Arun, S. (2004). Researching ICT-based enterprise for women in developing countries: A gender perspective. Manchester: Institute for Development Policy and Management (IDPM).

Myers, N. (1997). Environmental refugees. *Population and Environment, 19* (2), 167-182.

Ng, C., & Mitter, M. S. (2005). Gender and the Digital Economy: Perspectives from the Developing World. SAGE Publications.

Nordlund, A. M., & Garvill, J. (2003). Effects of values, problem awareness, and personal norm on willingness to reduce personal car use. *Journal of Environmental Psychology*, 23, 339-347.

Peloza, J., White, K., & Shang, J. (2013). Good and guilt-free: The role of self-accountability in influencing preferences for products with ethical attributes. *Journal of Marketing*, 77(1), 104-119.

Peredo, A. M., & Chrisman, J. J. (2006). Toward a theory of community-based enterprise. *Academy of Management Review*, 31(2), 309-328.

Popescu, G., & Iosim, I. (2015). The role of consumer behavior in issues related to the environment. *Research Journal of Agricultural Science*, 47, 121-126.

Prahalad, C. (2004). The Fortune at the Bottom of the Pyramid: Eradicating Poverty through Profits. Upper Saddle, NJ: Wharton School Publishing.

Prahalad, C., & Hart, S. (2002). The Fortune at the Bottom of the Pyramid. *Strategy+Business* (26).

Putnam, R. (1993). The prosperous community. *The American Prospect*, 4(13), 35-42.

Rios Lopez, L. (December 15, 2016). Wikimujeres, una comunidad más allá de un grupo de Facebook. Obtenido de El Heraldo: http://www.elheraldo.co/entretenimiento/wikimujeres-unacomunidad-mas-alla-de-un-grupo-de-facebook-311376

Rosenbaum, Mark, Corus, C., Ostrom, A., Anderson, L., Fisk, R., Gallan, A., Giraldo, M., Mende, M., Mulder, M., Rayburn, S., Shirahada, K., & Williams, J. (2011). Conceptualization And Aspirations Of Transformative Service Research. *Journal of Research for Consumers*, 19, 1–6.

Samuelson, C. D. (1990). Energy conservation: A social dilemma approach. *Social Behaviour*, *5*, 207-230.

Schaefer, D. (2007). Empowering Women Weavers? The Internet in Rural Morocco. Information Technologies and International Development, 4(2), 17-23.

Shultz, C., Deshpandé, R., Cornwell, T.B., Ekici, A., Kothandaraman, P., Peterson, M., Shapiro, S., Talukdar, D., & Veeck, A. (2012). Marketing And Public Policy: Transformative Research In Developing Markets. *Journal of Public Policy & Marketing*, 31(2), 178-184.

Smith, L., Ramakrishnan, U., Ndiaye, A., Haddad, L., & Martorell, R. (2003). The importance of women's status for child nutrition in developing countries. Washington, D.C.: International Food Policy Research Institute. Steg, L., Dreijerink, L., & Abrahamse, W. (2005). Factors influencing the acceptability of energy policies: Testing VBN theory. *Journal of Environmental Psychology*, 25(4), 415-425.

Steg, L., Bolderdijk, J. W., Keizer, K., & Perlaviciute, G. (2014). An integrated framework for encouraging pro-environmental behaviour: The role of values, situational factors and goals. *Journal of Environmental Psychology*, 38, 104-115.

Steg, L., & Nordlund, A. (2012). Models to explain environmental behaviour. In L. Steg, A. E. van den Berg, & J. I. M. de Groot (Eds.), Environmental psychology: An introduction (pp. 185e195). Oxford, UK: John Wiley & Sons.

Thaler, R. H., & Sunstein, C. R. (2008). Nudge: Improving decisions about health, wealth, and happiness. New Haven, CT: Yale University Press.

Thomas, D. (1997). Incomes, expenditures and health outcomes: Evidence on intrahousehold resource allocation. En L. Haddad, J. Hoddinott, & H. Alderman, Intrahousehold resource allocation in developing countries: Models, methods, and policy (págs. 142-164). Baltimore, ML: The Johns Hopkins University Press.

Thomas, D. & Twyman, C. (2005). Equity and Justice in Climate Change Adaptation amongst Natural-Resource-Dependent Societies. *Global Environmental Change*, 15(2), 115-124.

Trnka, S., & Trundle, C. (2014, April). Competing responsibilities: Moving beyond neoliberal responsibilisation.
In Anthropological Forum (Vol. 24, No. 2, pp. 136-153).
Routledge.

Trujillo, C.A., & Unda, J (2015), Estudio de Consumo Sostenible y Conocimientos Sobre Biodiversidad, Facultad de Administración, Universidad de los Andes.

United Nations. (2000). Millenium Development Goals. Washington D.C: United Nations.

United Nations, 2015. Sustainable Development Summit 2015. [En línea]

Available at: http://www.un.org/sustainabledevelopment/ es/2015/05/los-bosques-jugaran-un-papel-fundamental-en-laagenda-de-desarrollo-sostenible/

Viswanathan, M. (2013). Subsistence Marketplaces. Urbana-Champaing, IL: Etext Inc.

Viswanathan, M., & Sridharan, S. (2009). From Subsistence Marketplaces to Sustainable Marketplaces: A Bottom-Up Perspective of the Role of Business in Poverty Alleviation. *Ivey Business Journal* (On line), March-April.

Viswanathan, M., Rosa, J., & Ruth, J. (2010). Exchanges in marketing systems: The case of subsistence consumermerchants in: Chennai, India. *Journal of Marketing*, 74, 1-17.

Vlek, C., & Steg, L. (2007). Human behavior and environmental sustainability: Problems, driving forces and research topics. *Journal of Social Issues*, 63(1), 1-19.

Waters, R. D., Burnett, E., Lamm, A., & Lucas, J. (2009). Engaging stakeholders through social networking: How nonprofit organizations are using Facebook. *Public Relations Review*, 35(2), 102-106.

Weinstein, M. (1999). Railbirds, scouts, and independent booksellers: Towards a constructivist interpretation of new business formation. *Irish Marketing Review*, 12(1), 3-17.

Wellman, B., & Wortley, S. (1990). Different strokes from different folks: Community ties and social support. *American Journal of Sociology*, 96(3), 558-588.

#### 16 / TCR Scholarship for the Latin American Context—Session 2

Winchester, L. (2008). La dimensión económica de la pobreza y precariedad urbana en las ciudades latinoamericanas: Implicaciones para las políticas del hábitat. EURE, 34(103), 27-47. World Wildlife Fund. (2012). *Living planet report 2012: Biodiversity, biocapacity, and better choices.* Gland, Switzerland: WWF International.

#### Neuromarketing, Brain Emotions, and Decision Making

Angelika Dimoka, Temple University, USA

### Paper #1: The Brain's Role in Decision making: Responses to Online and Printed Ad Campaigns

Angelika Dimoka, Temple University, USA Vinod Venkatraman, Temple University, USA

#### Paper #2: Single Administration of Testosterone Impairs Cognitive Reflection in Men

Gideon Nave, University of Pennsylvania, USA Amos Nadler, University of Western Ontario, Canada David Zavs, ZRT Laboratories, USA Colin Camerer, Caltech, USA

Paper #3: Design, Emotions, and Willingness-to-Pay Ravindra Chitturi, Lehigh University, USA

#### SESSION OVERVIEW

In this special session, we investigate how physiological responses affect consumers' decision making. Since the early 2000's, there has been a rapid growth in the area of Decision Neuroscience; neuroscience research and use of neurophysiological methods, genes, and hormones to the study of how humans make decisions. This growth is largely due to the demonstrated value of neurophysiological tools to study marketing and other practical phenomena, advances in functional Magnetic Resonance Imaging (fMRI), electroencephalography (EEG), eye tracking, and other neurophysiological tools (i.e., biometrics), gene and hormone expression, and the accessibility of these methods with decreased costs.

One of the areas on Decision Neuroscience with applications to Marketing - Neuromarketing - can reveal how consumers consciously and subconsciously process and engage with advertisements to test products, packaging, and marketing messages, as well as the efficacy of various aesthetics. Researchers can measure brain, physiological, and sensory responses to stimuli to learn what influences consumers, and to understand why individuals make the decisions they do.

The first paper discusses how brain studies can help us understand how consumers make purchasing decisions and specifically how memory and willingness to pay are affected when subjects are exposed to digital and/or printed advertisement campaigns. This paper shows the impact of the two different media on consumer's memory of the ads and preferences at a subsequent point of purchase.

The second paper looks into deeper how hormones such as the androgenic hormone testosterone (abbreviated "T") affects human cognition and decision making. More specifically, it investigates in a placebo-controlled experiment, how testosterone biases decision making towards rapid intuitive judgments as opposed to deliberate analytical judgments.

The final paper investigates the effect of aesthetics in decision making, and particularly, how aesthetics increases willingness to pay by improving anticipated promotion and prevention emotions of confidence, excitement, and pride. And, collectively these emotions explain why consumers are willing to pay more for a product with superior aesthetics.

#### The Brain's Role in Decision making: Responses to Online and Printed Ad Campaigns

Considering the complexity of managing marketing and advertising communications across physical and digital media (often referred to as mixed media marketing campaigns), this study seeks to understand how to increase the effectiveness of marketing strategies by identifying, testing, and prescribing when it is better to use only one medium, such as physical or digital (a "unimodal" sequence), or a combination of both media (a "crossmodal" sequence). This study builds upon the demonstrated value of neurophysiological tools to shed light into marketing phenomena, and explores (1) when digital advertising, such as email, or physical advertising, such as mail, is more effective at engaging consumers in terms of ad recognition, brand recall, memory, desirability, and willingness to pay (WTP), (2) what the complementary effect is if both media are used in sequence, and (3) if a certain sequence of these two media (physical and digital) has a stronger role in engaging consumers in mixed media marketing campaigns.

We used a multi-methodological framework, including traditional self-reports together with fMRI, to capture multiple cognitive and affective processes (these included familiarity, liking, memory/ recall, choice, desirability, and WTP) associated with mixed media marketing campaigns. The use of multiple methods aims to provide a comprehensive understanding of how consumers perceive advertising messages when presented in a combination of physical and digital media (Millward Brown 2009; Royal Mail Market Research 2015; Dimoka et. Al. 2015).

The experimental study had two phases. During the lab study phase, we measured neurophysiological and traditional self-reported responses, including ad recognition, brand recall, memory, desirability, and willingness to pay (WTP) when participants interacted with various advertisements (ads). For the field study phase, two mixed media marketing campaigns were conducted at a major university. Implications for using each medium (i.e., physical or digital) or a combination of both in marketing campaigns are discussed.

There were two parts in the lab study phase. In the first part, participants viewed sets of ads in physical and digital formats across two weeks and offered traditional, self-reported responses. In the second part of the lab study, participants' brain activity was recorded using functional magnetic resonance imaging (fMRI) when reviewing new and previously viewed ad snippets and images of their corresponding advertised products.

The main finding from the self-reported measures in the lab phase was that seeing ads in only the same format (physical or digital) twice was generally more effective than if the ads were seen in two different formats. Notably, participants who viewed the physical format twice demonstrated stronger *ad recognition* and *brand recall*. Counter to the other findings in the study, self-reported WTP for the advertised products was significantly stronger for products advertised in the crossmodal sequence. Within just unimodal sequences, WTP was higher for products shown twice in the digital format. The WTP was not explicitly incentivized, in that participants were not given the opportunity to actually buy the products advertised, potentially weakening its reliability.

When using fMRI in the second part of the lab study, we found differential activation in brain regions associated with specialized processing of different types of snippets (faces, scenes, and words extracted from the ad), consistent with existing literature. Critically, face snippets activated the left anterior hippocampus more than scenes or words, consistent with greater memory recall for these stimuli. This was particularly true for stimuli that were exposed in physical format twice. Combining these findings with those from the first part of the study, there is evidence that the same format shown

#### 18 / Neuromarketing, Brain Emotions, and Decision Making

twice, particularly with the physical format, is associated with higher *memory* (especially for faces depicted in ads). Lastly, greater activation in the ventromedial prefrontal cortex (vmPFC) and ventral striatum (vSTR) was found for products advertised twice in the physical format, denoting greater engagement of these regions in the computations of the underlying subjective value and desirability.

These findings complement the findings from our previous studies, which found that physical advertising was associated with stronger memory of ads, as well as higher desirability and subjective value. In this study, we find that exposing participants to ads shown in a unimodal sequence has a stronger memory recall compared to crossmodal sequences, particularly in the physical format.

Across two exploratory, independent field studies, we found that higher click through rates were observed when a digital stimuli follows a physical ad than when ads were presented in just the digital format. We discuss how this finding, coupled with findings from the lab study, create a complex relationship between purchase intent, observed desirability, and consumer action. In sum, this study examines when, how, and why physical media are a valuable complement in sequenced advertising campaigns.

Based on the findings of this study, we seek to cautiously prescribe when, how, and why physical media can be a valuable complement in mixed media campaigns and when physical and digital media should be used in sequence. Extending the prescriptions from our previous studies, we seek to prescribe the sequence of physical and digital media in mixed media marketing for advertisers to engage their consumers. Our findings suggest that using the same medium twice, particularly physical media, can result in higher ad and brand recognition. Whether or not consumers remember an ad and its contents is important for marketers to enhance advertising effectiveness, even if in this lab/fMRI study we did not seek to test for long-term brand recognition that many marketers seek to develop over time. We also show that ads that contain faces are remembered more than those that contain scenes or words, particularly when the physical medium is used in sequence.

#### REFERENCES

Dimoka, A., Vo, K.D., Venkatraman, V., Pavlou, P.A. & U.S. Postal Service Office of Inspector General (2015). Enhancing the Value of Mail: The Human Response.

Millward Brown (2009). Using Neuroscience to Understand the Role of Direct Mail. United Kingdom.

Royal Mail Market Research (2015). The private life of mail: Mail in the home, heart, and head. United Kingdom.

#### Single Administration of Testosterone Impairs Cognitive Reflection in Men

The androgenic hormone testosterone (abbreviated "T") is produced in the adrenal glands, the male testes, and in smaller quantities in the female ovaries. T affects physiology, brain development, and behavior throughout life. T is released into the bloodstream and in the brain in response to external stimuli, such as the presence of an attractive mate or winning competitions, modulating physiological and cognitive processes context-sensitively (Archer, 2006; Eisenegger, Haushofer, & Fehr, 2011). In many non-human species, T levels rise amid the breeding season to facilitate reproductive behaviors such as fighting and mating. Laboratory studies have shown that T administration induces aggression, mating, and behavioral disinhibition in rodents and birds (Archer, 2006; Bing et al., 1998; Edwards, 1969; Svensson, Åkesson, Engel, & Söderpalm, 2003; Wingfield et al., 1990). A largely open question is how T affects human cognition and decision-making. Studies reported correlations between endogenous T and physical aggression, sensation seeking, and impulse control disorders such as drug abuse, bulimia, and borderline personality disorder (Campbell et al., 2010; Cotrufo et al., 2000; Dabbs, Carr, Frady, & Riad, 1995; Daitzman & Zuckerman, 1980; Janowsky, 2006; Martin et al., 2002; Reynolds et al., 2007). Moreover, prefrontal brain regions involved in impulse control contain androgen receptors (Finley & Kritzer, 1999), and an imaging study showed that decreased prefrontal activity mediated the correlation of endogenous T with rejections of unfair ultimatum bargaining offers (Mehta & Beer, 2010), a behavior that can be interpreted as impulsive (Grimm & Mengel, 2011).

Due to the bi-directional relationship between hormone levels and organisms' environment and behavior, cause and effect are conflated in correlational studies. Recent research addressed this limitation by administering T under a placebo-controlled protocol, and observing its influence on behavior. Although the hypotheses and behavioral measures vary among studies, many findings are consistent with the presumption that T biases decision-making towards rapid, intuitive responses. For example, T increased reactive aggression (Carré et al., 2016; Pope, Kouri, & Hudson, 2000) but on the other hand reduced lying and strategic deception (van Honk et al., 2016; Wibral, Dohmen, Klingmüller, Weber, & Falk, 2012), behaviors that are associated with slow response times and cognitively effortful executive processes (Gombos, 2006).

The current study aims to formally test how T influences decision-making processes in humans. We build on the dual-process framework (Evans, 2003), according to which humans employ two types of information processing during decision-making: "System 1" (intuitive) processes occur automatically, rapidly and effortlessly, but might provide less accurate responses. "System 2" (deliberate) processes are relatively slow and computationally demanding, but are more likely to produce accurate responses. An important function of system 2 is monitoring system 1 responses and overriding them when needed (akin to 'checking work' on an algebra problem).

Given the findings discussed above, we hypothesize that T biases decision-making towards rapid, system 1 processing. We tested this hypothesis by randomly administering a single dose of either T or placebo to a sample of 243 males, and measuring its influence on performance in a task specifically designed to identify one's tendency towards either intuitive or deliberate information processing, the Cognitive Reflection Test (CRT, (Frederick, 2005)). The CRT is a 3-item questionnaire that assesses the capacity to monitor one's own intuitive judgments and override them when appropriate. CRT scores predict diverse behaviors, including the display of various decisionmaking biases such as the conjunction fallacy (Toplak, West, & Stanovich, 2014).

Here is an illustrative CRT question:

A bat and a ball cost \$1.10 in total. The bat costs \$1.00 more than the ball. How much does the ball cost?

When faced with this question, an immediate incorrect answer (0.10) automatically arises in most people's minds. Responding with the correct answer (0.05) requires inhibiting this prepotent intuitive response and detecting that it is incorrect. This requires cognitively reflecting on the verity of the intuitive answer by engaging in deliberate, yet easy to perform calculations (i.e., checking that the bat – ball difference is 1.00 and their sum is 1.10) (Oldrati, Patricelli, Colombo, & Antonietti, 2016).

We hypothesized that T administration would increase participants' tendency to rely on their intuitive judgments, reduce inhibition of incorrect prepotent response, and therefore impair CRT performance relative to placebo. To rule out various confounding factors, namely T's potential influences on engagement, motivation, or arithmetic skills, participants took part in an additional math task as a control. Participants also provided pre- and post-treatment saliva samples that were assayed by liquid chromatography tandem mass spectrometry (LC-MS/MS) as manipulation checks, and to control for levels of other hormones that might influence cognition and behavior.

In line with our prediction, we found that the T group had significantly lower scores in the CRT compared to placebo (20% less correct answers on average, p<.003), and that T treatment had no impact on arithmetic skills (p>.80). Crucially, math scores strongly predicted participants' CRT scores, and T's effects were robust to controlling for math skill, age, mood and the levels of 14 other hormones measured using post-treatment saliva samples. Finally, the effect was significant for each of the three CRT questions in isolation, and T participants responded faster when providing incorrect answers - demonstrating that participants adopted their incorrect intuitive answers more rapidly under T treatment.

Taken together, our results provide converging evidence that heightened T levels are causally associated with reduced deliberative decision-making in humans, illuminating on a cognitive mechanism underlying the context-sensitive influence of T on human behavior.

#### Latin America Advances in Consumer Research (Volume 4) / 19

#### Design, Emotions, and Willingness-to-Pay

Previous research has shown that customers are willing to pay more for hedonic benefits than for utilitarian benefits. However, we don't know why. This research demonstrates how aesthetics increases willingness-to-pay by improving three types of perceived benefits—functional, experiential, and self-expressive. Specifically, good aesthetics improves anticipated promotion and prevention emotions of confidence, excitement, and pride. And, collectively these emotions explain why consumers are willing to pay more for a product with superior aesthetics.

The primary insights provided by this research are: 1) improvement in aesthetics improves perceived functional benefits offered by the product leading to a greater anticipatory feeling of confidence; 2) superior aesthetics improve perceived experiential benefits offered by the product leading to a greater anticipatory feeling of excitement; 3) superior aesthetics improve perceived self-expressive benefits leading to a greater anticipatory feeling of pride; 4) these improved feelings of confidence, excitement, and pride significantly influence customers' willingness-to-pay; and, 5) improving self-expressive benefits by improving aesthetic pride leads to greater increase in willingness-to-pay than improving experiential benefits by improving aesthetic excitement and aesthetic confidence.

The results from this research show that superior aesthetics improve feelings of functional confidence, experiential excitement, and self-expressive pride leading to greater willingness-to-pay. In conclusion, we show how and why *good aesthetics is great business*. 20 / Neuromarketing, Brain Emotions, and Decision Making

### **Competitive Papers**—Extended Abstracts

#### Can the Brand Make Us Beautiful: A Study on Brand Transference

Enrique P. Becerra, Texas State University, USA

Juan Carlos Londoño-Roldan, Pontificia Universidad Javeriana Cali, Colombia Maria Cecilia Henriquez-Daza, Pontificia Universidad Javeriana Cali, Colombia

#### **EXTENDED ABSTRACT**

Brand extension literature indicates perceived characteristics of existing product/brand combination transfer, to certain extend, to a new product/brand combination. We aim to understand if brand perceptions transfer to the individual that uses the brand. Specifically, we study if individuals wearing a t-shirt with brand perceived as likeable (not likeable) may become more (less) likeable. In other words, can the brand transfer its likeability and enhance individual's appearance or likeability?

From an economics perspective, consumers that purchase a good such as clothing are looking for a benefit of wearing it, and they are willing to pay a cost to get this benefit. Form a psychological perspective, consumers buy brands that improve their personal self-esteem. Self-esteem is an important motivational drive for consumption involving both the acceptance and rejection/avoidance of symbolic goods. However, self-esteem gains have been until now a subjective added value that brands have not been able to demonstrate or capture. It has been found that physical attractiveness is positively correlated with self-esteem (Mathes & Kahn, 1975), therefore brands that can increase appearance could have a positive influence on peoples self-esteem.

Previous research has shown that overall ratings of attractiveness are created by diverse components such as facial beauty, body attractiveness, dress attractiveness or dynamic expressive style (Riggio, Widaman, Tucker, & Salinas, 1991). This research explores how the interaction effect that exists between two of these components (facial beauty and attractiveness of dress) becomes of particular interest in the field of marketing where psychological advances need to be incorporated. For example, advances have been made in understanding physical attractiveness (Berscheid & Walster, 1974) and how interpersonal attraction is created (Huston & Levinger, 1978) but more research is needed to understand how this physical attractiveness is related to brands. Beauty perception is related to the physical characteristics of the human body, but it could also be enhanced by clothing (Fan, Yu, & Hunter, 2004). Perceptions of attractiveness are important because they can have an effect on how people are judged in terms of employment, social opportunities, friendship, sexual behavior and marriage (Perrin, 1921).

When someone wears a branded t-shirt or other kind of clothing, there is an "association transference" (De Mooij, 2013) between the person and the brand. Transference occurs when the knowledge acquired in one type of situation influences the performance of other (Postman, 1971). Thus a branded t-shirt may transfer its qualities, including likeability, to a person.

We tested our premise using young Colombia consumers. Both young men and women are more fashion oriented than older counterparts (Evans, 1989) as well as more sensitive to fashionable products or brands (Thompson & Haytko, 1997). Pre-tested brands based on levels of likeability were selected. A white t-shirt was selected as a clothing item to be evaluated because it its helps to reduce nonphysiognomic cues (Malpass & Kravitz, 1969). In a series of pretests, we selected pictures of individuals based on level of likeability. Study 1, a 2 (likeable brand on t-shirt/unlikeable brand on t-shirt) x 1 (plain t-shirt) indicate that likeable brand on t-shirt is more appealing than plain t-shirt and that unlikable brand on t-shirt is less appealing than plain t-shirt. Study 2, a 2 (attractive/unattractive) x 2 (man/woman), x 3 (likeable brand on t-shirt/unlikeable brand on t-shirt/plain t-shirt) indicate that attractive individuals wearing likeable brand are nor more attractive than when wearing a plain t-shirt. Attractiveness did not diminish when wearing t-shirt with unlikeable brand. Similarly, the type of t-shirt worn did not affect level of attractiveness for those perceived to be less attractive.

While our findings are not conclusive, they indicate that brands worn may transfer some of their characteristics to the wearer but likeability is not one of them. Perhaps, the brand worn enhancement on wearer is not enough to increase perceptions of attractiveness but signals that wearers has some sense of fashion and belongs to group that has a high opinion of such brand.

#### REFERENCES

Berscheid, E., & Walster, E. (1974). Physical Attractiveness.

- Advances in experimental social psychology, 157.
- De Mooij, M. (2013). Global marketing and advertising: Sage.
- Evans, M. (1989). Consumer behaviour towards fashion. *European Journal of Marketing*, 23(7), 7-16.
- Fan, J., Yu, W., & Hunter, L. (2004). *Clothing appearance and fit: Science and technology*: Elsevier.
- Huston, T. L., & Levinger, G. (1978). Interpersonal attraction and relationships. *Annual review of psychology*, 29(1), 115-156.
- Malpass, R. S., & Kravitz, J. (1969). Recognition for faces of own and other race. *Journal of personality and social psychology*, 13(4), 330.
- Mathes, E. W., & Kahn, A. (1975). Physical attractiveness, happiness, neuroticism, and self-esteem. *The Journal of psychology*, 90(1), 27-30.
- Perrin, F. (1921). Physical Attractiveness and Repulsiveness. Journal of Experimental Psychology, 4(3), 203.
- Postman, L. (1971). Transfer, Interference and Forgetting. Woodworth and Schlosberg's Experimental Psychology, Third Edition.
- Riggio, R. E., Widaman, K. F., Tucker, J. S., & Salinas, C. (1991). Beauty is more than skin deep: Components of attractiveness. *Basic and Applied Social Psychology*, 12(4), 423-439.
- Thompson, C. J., & Haytko, D. L. (1997). Speaking of fashion: consumers' uses of fashion discourses and the appropriation of countervailing cultural meanings. *Journal of consumer research*, 24(1), 15-42.

# A Dilemma with Height: A Critical Review of Body Image and Clothing Choice for Men of Shorter Stature

Osmud Rahman, Ryerson University, Canada Henry Navarro Delgado, Ryerson University, Canada

# EXTENDED ABSTRACT

Previous research (Andrew, 2005; Markee et al., 1990; Rudd & Lennon, 2000) has shown that many women are concerned about how they are perceived through the medium of dress and adornment by the public in general and significant others in particular. Tunaley et al. (1999: 743) points out that female sexual attractiveness is often perceived and judged by a culturally constructed ideal of beauty. With such perspective, it is important to understand the complex relationship between body image and clothing practice in different socio-cultural contexts. However, the majority of existing literature on body image (e.g., Borland and Akram, 2007; Davis, 1985; Howarton and Lee, 2010; Rahman, 2015) is primarily or exclusively focused on women. This could be due to the fact that men are perceived to be relatively less interested in clothing, and thus, less involved in shopping activities. Nevertheless, some studies (McCaulav et al., 1988; Mishkind et al., 1986) have found that male consumers are increasingly becoming more involved in their appearance and body physique. For example, they have expressed dissatisfactions and frustrations with parts of their bodies such as their biceps, shoulders, and chest (Cash et al., 1986; Furnham and Greaves, 1994). Furthermore, a number of studies (Bergeron and Tylka 2007; Martins et al. 2008; Tylka et al., 2005) report that muscularity and body fat indeed play a significant role in how men's body images are judged in the United States and Australia. In order to conform to the muscular ideal, men often adopt various appearancemanagement strategies such as intensive exercise and weight training, cosmetic surgery, dietary regimes and daily grooming (Frith and Gleeson, 2004). All in order to change their present body image.

Other than muscularity, body height is also considered as an important indicator of masculinity, attractiveness, and health (Blaker et al., 2013). There is a considerable amount of research examining the perceived connections between height and various other variables of male attractiveness in different contexts. For example, height is often correlated with authority or social status (Gawley et al., 2009; Roberts and Herman, 1987), worth and leadership (Murray and Schmitz, 2011), political success (McCann, 2001), competence (Cann, 1991), higher income (Judge and Cable, 2004), physical strength (Lundborg et al., 2009), and dating preference (Walster et al., 1966). Nevertheless, although many prior studies have investigated the relational effects of men's height, very little empirical research has focused on relational effect of clothing choices (Chattaraman et al., 2013; Hogge et al., 1988; Oliver et al., 1993). Surprisingly, only two apparel studies (Shim and Kotsiopulos, 1991; Shim et al., 1990) have specifically done so but focused on big and tall male apparel shoppers. Thus, the present study attempts to fill the research void by studying the body perceptions, consumer behaviour, and fit preferences of shorter men.

According to several studies, height may be used consciously or unconsciously to judge the ability, competence, and intelligence of an individual male. Indeed, "heightism" or prejudice and discrimination against shorter men, does exist in our society (Melamed and Bozionelos, 1992). For example, taller men are more likely to be hired or promoted than their shorter counterparts (Keyes, 1980). In terms of clothing consumption, it is a challenge for short male consumers to find a well-fitting and/or desirable garment. Frith and Gleeson (2004) report in their study, "The fact is that physical size imposes limitations on finding suitable clothes [12]. The frustration of trying to fit into average-sized clothing was tangible for unusually tall, broad-shouldered, or short men." In other words, short men have been ignored or underserved by the fashion industry. Thus, it is imperative to understand the needs and challenges faced by this demographic group.

Based on the preceding discussion, a number of questions will be posed to guide and direct this study: Does "heightism" still exist in today's society? Are tall men perceived more positively than short men? Is body height linked to psychological disposition? What challenges do short male consumers encounter when it comes to apparel shopping? What kind of clothing the fashion practitioners should develop to meet the needs of short men?

In order to address the aforementioned questions, visual and textual data will be collected from short men in actual public settings, and also through social media. This study consists of two stages. In the first stage, men who are under 5' 8" (based on Shim et al.'s classification, 1990) will be recruited to participate in this study. With their consent, short interviews will be conducted and "street-style" photographs of them will be taken. These visual and textual data will then be used to create two interactive social media sites -(1) a website, and (2) a Facebook page both named Sastro Man Circle. In stage two, articles related to men's height, "heightism," body image, public perceptions of short men, self-esteem, clothing choice and sizing systems will be posted on our website and Facebook to collect public opinions and comments. Readers will be encouraged to post their responses, reflections and comments about the content of our articles. After the process of data collection, content analysis will be employed to code and analyze the interview contents (from stage 1) and online posted comments (from stage 2). Through content analysis, themes will be identified from the data, and the procedure as described by Zimmer and Golden (1988) will be adopted and followed. The reason why we chose content analysis for this study is because this type of analytical method can provide an objective and systematic procedure to code our collected data and form the basis for interpretive analysis.

Through the data collection from stage 1 and 2, some of the concerns and challenges related to men's body height will be revealed, and possibly some practices or suggestions to mitigate the lack of clothing choice for short men will be identified. We believe that this study will provide new insights, meaningful information, and also extend our current knowledge and understanding of the relationship between men's height and fashion consumption. In all, the results of the present study are essential for academicians and practitioners invested in promoting fashion diversity.

- Andrews, J. (2005). *Bodywork: Dress as a Cultural Tool*. Boston, MA: Brill.
- Bergeron, D. and Tylka, T.L. (2007). Support for the uniqueness of body dissatisfaction from drive for muscularity among men. *Body Image*, 4: 288-295.

Blaker, N.M., Rompa, I., Dessing, I.H., Vriend, A.F., Herschberg, C. and van Vugt, M. (2013). The height leadership advantage in men and women: Testing evolutionary psychology predictions about the perceptions of tall leaders. *Group Processes & Intergroup Relations*, 16(1): 17-27.

Borland, N. and Akram, S. (2007). Age is no barrier to wanting to look good: Women on body image, age and advertising. *Qualitative Market Research: An International Journal*, 10(3): 310-333.

Cann, A. (1991). Stereotypes about physical and social characteristics based on social and professional competence information. *The Journal of Social Psychology*, 13(2): 225-231.

Cash, T., Winstead, B. and Janda, L. (1986). The great American shape-up: Body image survey report. *Psychology Today*, 20: 30-37.

Chattaraman, V., Simmons, K.P. and Ulrich, P.V. (2013). Age, body size, body image, and fit preferences of male consumers, *Clothing and Textiles Research Journal*, 31(4): 291-305.

Davis, L.L. (1985). Perceived somatotype, body-cathexis, and attitudes toward clothing among college females, *Perceptual and Motor Skills*, 61: 1199-1205.

Frith, H. and Gleeson, K. (2004). Clothing and embodiment: Men managing body image and appearance, *Psychology of Men & Masculinity*, 5(1): 40-48.

Furnham, A. and Greaves, N. (1994). Gender and locus of control correlates of body image dissatisfaction. *European Journal of Personality*, 8: 183-200.

Gawley, T., Perks, T. and Curtis, J. (2009). Height, gender, and authority status at work: Analyses for a national sample of Canadian workers, *Sex Roles*, 60: 208-222.

Hogge, V.E., Baer, M. and Kang-Park, J. (1988). Clothing for elderly and non-elderly men: A comparison of preferences, perceived availability and fitting problems, *Clothing and Textiles Research Journal*, 6(4): 47-53.

Howarton, R. and Lee, B. (2010). Market analysis of fit preferences of female boomers. *Journal of Fashion Marketing and Management*, 14: 219-229.

Judge, T.A. and Cable, D.M. (2004). The effect of physical height on workplace success and income: Preliminary test of a theoretical model. *The Journal of Applied Psychology*, 89: 428-441.

Keyes, R. (1980). *The Height of your Life*. Boston: Little, Brown and Company.

Lundborg, P., Nystedt, P. and Rooth, D.-O. (2009). The Height Premium in Earning: The Role of Physical Capacity and Cognitive and Non-Cognitive Skills. IZA, Discussion paper No. 4266.

Markee, N.L., Carey, I.L.S. and Pedersen, E.L. (1990). Body cathexis and clothed body cathexis: Is there a difference? *Perceptual and Motor Skills*, 70: 1239-1244.

Martins, Y., Tiggermann, M. and Churchett, L. (2008). The shape of things to come: Gay men's satisfaction with specific body parts. *Psychology of Men and Masculinity*, 9: 248-256.

McCann, S.J.H. (2001). Height, social threat, and victory margin in presidential elections (1894-1992). *Psychological Reports*, 88: 741-742.

McCaulay, M., Mintz, L. and Glenn, A.A. (1988). Body image, self-esteem, and depression proneness: Closing the gender gap. Sex Roles, 18: 381-391.

Melamed, T. and Bozionelos, N. (1992). Managerial promotion and height, *Psychological Reports*, 71: 587-593.

Mishkind, M.E., Rodin, J., Siberstein, L.R. and Striegel-Moore, R.H. (1986). The embodiment of masculinity: Cultural, psychological and behavioural dimensions. *American Behavioural Scientist*, 29: 545-562.

Murray, G.R. and Schmitz, J.D. (2011). Caveman politics: Evolutionary leadership preferences and physical stature. *Social Science Quarterly*, 92: 1215-1235.

Oliver, B.A., Bickle, M.C. and Shim, S. (1993). Profile of male made-to-measure customers: Body characteristics and purchase selection, *Clothing and Textiles Research Journal*, 11(2): 59-62.

Rahman, O. (2015). Denim jeans: A qualitative study of product cues, body type and appropriateness of use. Fashion Practice: The Journal of Design, Creative Process & the Fashion Industry, 7(1): 53-74.

Roberts, J.V. and Herman, C.P. (1987). The psychology of height. In M.P. Zanna, J.M. Olsen, and C.P. Herman (Eds.), *Social Influence: The Ontario Symposium*, Vol. 5, pp. 113-140. Hillsdale, NJ: Erlbaum.

Rudd, N.A. and Lennon, S.J. (2000). Body image and appearancemanagement behaviours in college women. *Clothing and Textiles Research Journal*, 18: 152-162.

Shim, S. and Kotsiopulos, A. (1991). Big and tall men as apparel shoppers: Consumer characteristics and shopping behaviour. *Clothing and Textiles Research Journal*, 9(2): 16-24.

Shim, S., Kotsiopulos, A., and Knoll, D. (1990). Short, averageheight, tall, and big men: Body-cathexis, clothing and retail satisfaction, and clothing behavior. *Journal of Perceptual and Motor Skills*, 70(1): 83-96.

Tunaley, J.R., Walsh, S. and Nicolson, P. (1999). 'I'm not bad for my image': The meaning of body size and eating in the lives of older women, *Ageing and Society*, 19: 741-759.

Tylka, T.L., Bergeron, D. and Schwartz, J.P. (2005). Development and psychometric evaluation of the Male Body Attitudes Scale (MBAS). *Body Image*, 2: 161-175.

Walster, E., Aronson, V., Abrahams, D. and Rottman, L. (1966). Importance of physical attractiveness in dating behaviour. *Journal of Personality and Social Psychology*, 4: 508-516.

Zimmer, M.R. and Golden, L.L. (1988). Impressions of retail stores: a content analysis of consumer images. *Journal of Retailing*, 64(3): 265-293.

# A Conceptual Framework to Understand Responsible Consumption Behavior

Bipul Kumar, Indian Institute of Management Indore, India Ajay K. Manrai, University of Delaware, USA Lalita A. Manrai, University of Delaware, USA

#### INTRODUCTION

World Watch Institute in its report in 2015 stated that private consumption expenditure exceeded \$20 trillion at the start of 21st century which is a fourfold rise compared to the expenditure in the year 1960. It also mentioned that although people are gaining access to a variety of consumer items like television sets, phones and Internet, there is a wide disparity between different classes of people worldwide. Although only 12 percent of world's population resides in North America and Western Europe, they account for 60 percent of spending on the private consumption. There is also a greater disparity in terms of sharing of the ecological foot prints across the world, which is evident from the fact that an average American uses 9.7 hectares of the ecological footprints as against merely 0.47 hectares by an average citizen of Mozambique. All these facts provide a clear picture of the degree of disparity in terms of consumption pattern worldwide. The grim side of all these facts and figures percolate down to the real issue of unbalanced resource utilization by different stakeholders of the societies including corporates and consumers as well. Under such scenario, if the current generation strives for a liveable and better future for the future generations, some of the solutions lie in behaving in a responsible manner with regard to the resource utilization and consumption. These alarming facts have also compelled the apex bodies like United Nations, which in its agenda for sustainable development goals (SDG), has emphasized on moving towards sustainable management and efficient use of natural resources. Its agenda includes reducing per capita food waste to half and minimize the impact of waste chemicals on the environment by the year 2030. All these mandates point towards consuming different resources more wisely and in more responsible manner. This very narrative brings the pivotal role of responsible consumption by all stakeholders including corporates and the consumers as well.

As per Roberts (1993), responsible consumption behaviour is displayed by those consumers "who purchase products and services perceived to have a positive (or less negative) influence on the environment or who patronize businesses that attempt to effect related positive social change". In light of this definition of responsible consumption behavior and the elaboration on this subject in the literature, it is important to understand different contextual factors affecting it. Knowing about such contextual factors may help in controlling some of them with fair degree of understanding to reap the benefits of responsible consumption behaviour to a larger extent. Such understandings have some important implications for marketers in the societies which are evolving with responsibility towards their consumption pattern.

Building on the literature on responsible consumption and social marketing, this study examines some of the factors which shape responsible consumption behaviour. Based on in-depth literature review and theoretical underpinning of Social Cognitive Theory, this study finds that there is a mediating role of self-efficacy towards environmental and social issues on the relationship between motivational learning and responsible consumption behavior. The study also concludes that social protectionism, which is mostly related to the concept of prevention and management of situations adversely affecting individual's well-being in a society, moderates the relationship between motivational learning and self-efficacy. Further the study also finds that the cultural values moderate the relationship between self-efficacy and responsible consumption behaviour. The findings of this study have important implications for marketers with regard to their understanding on responsible consumption practices. The findings also have pertinent outcomes for the policy makers.

# GAP IN LITERATURE AND OBJECTIVE OF RESEARCH

Many researchers discussed and elaborated upon some of the factors aiding to responsible consumption. Based on the theory of planned behaviour, Strong (1996) discussed about individual beliefs as precursor to the responsible behaviour. Shaw and Clarke (1999) suggested product labels, influence of peers and religion in some cases as the factors contributing towards responsible consumption. Ethical obligation and self-identity were also described as some of factors contributing towards responsible consumption (Sparks and Guthrie, 1998).

Looking holistically, there are fewer discussion in the literature about contextual factors such as mediating and moderating factors which shape the responsible consumption behaviour. In view of the probable gaps in the literature, this study intends to explore some of the direct, mediating and moderating factors contributing towards responsible consumption.

#### THEORETICAL BACKGROUND

Social Cognitive Theory (Bandura 1986) was used in this study to understand some of the relevant factors. Social cognitive theory is a broad effort to understand and explain the human behavior (Baranowski, Perry, & Parcel, 1997). As per social cognitive theory, it is not only the intrinsic factors that determine the behavioral change but individual's response to its environment and shift in any of the three components tends to produce change in the others (Bandura 1986).

In this study, it is intended to elaborate upon the motivational learning as one of the factors leading to responsible consumption. The theory visualizes modelling new anticipated behaviours for the target audience, and calls for addressing all elements encompassing attention, retention, production and motivational processes for effective learning and performance of new behaviours.

# METHODOLOGICAL APPROACH AND PROPOSITIONS

This study used in-depth literature review approach under the backdrop of Social Cognitive Theory to develop propositions leading to a conceptual framework showing some of the factors contributing towards responsible consumption behavior. Following are the propositions developed based on the literature.

- **Propositions 1:** Self-efficacy of the consumers towards social and environmental issues is likely to mediate the relationship between motivational learning and responsible consumption behaviour.
- **Propositions 2:** Social protectionism is likely to moderate the relationship between motivational learning and self-efficacy.

- **Propositions 3**: Cultural values are likely to moderate the relationships between self-efficacy and responsible consumption behaviour.
- **Propositions 4:** Motivational learning is directly and positively related to the responsible consumption behaviour.

#### **CONCEPTUAL FRAMEWORK**

Based on the literature and theoretical underpinning of Social Cognitive Theory.

# PRACTICAL IMPLICATIONS

Marketers and policy makers may draw some important inputs from factors like social protectionism, self-efficacy, and cultural values for devising their respective strategies to deal with responsible consumption behaviour.

#### SCOPE FOR FUTURE WORK AND LIMITATIONS

The constructs identified in the model needs to be operationalized and the conceptual model tested using appropriate sampling in the future works. There is also scope for testing and comparing the model performance in cross-cultural settings.

#### REFERENCES

- Bandura, A. (1977). Self-efficacy: toward a unifying theory of behavioral change. *Psychological Review*, 84(2), 191.
- Bandura, A., Adams, N. E., Hardy, A. B., & Howells, G. N. (1980). Tests of the generality of self-efficacy theory. *Cognitive Therapy and Research*, 4(1), 39-66.
- Bandura, A. (1986). Social foundations of thought and action: A social cognitive theory. Englewood Cliffs, NJ: Prentice-Hall.

Baranowski, T., Perry, C.L., & Parcel, G. S. (1997). Social Cognitive Theory in Health Behavior and Health Education (2nd ed), Karen Glanz, F.M. Lewis and B.K. Rimer, eds, San Francisco: Jossey-Bass Publishers, 153-178.

Bloom, P.N., & Novelli, W.D. (1981). Problems and Challenges in Social Marketing. *Journal of Marketing*, 45, 79–88.

Condiotte, M. M., & Lichtenstein, E. (1981). Self-efficacy and relapse in smoking cessation programs. *Journal of Consulting* and Clinical Psychology, 49(5), 648.

Domegan, Ch. T. (2008). Social marketing: implications for contemporary marketing practices classification scheme. *Journal of Business & Industrial Marketing*. 23(2), 135-141.

Fisk, G. (1973). Criteria for a theory of responsible consumption. *Journal of Marketing*. *37*, 24-31.

Gilani, S. N., & Sharif, B. (2011).Impact of Social Marketing on Consumption Reduction. *Journal of Applied Business and Economics*, 12(5), 111-124

Hofstede, G. (1980). *Culture's Consequences*. Thousand Oaks, CA: Sage.

Hofstede, G. (2001). *Culture's Consequences* (2nd edition). Thousand Oaks, CA: Sage.

Kavussanu, M., & Roberts, G. C. (1996). Motivation in physical activity contexts: The relationship of perceived motivational climate to intrinsic motivation and self-efficacy. *Journal of Sport and Exercise Psychology*, 18, 264-280.

Lefebvre, R.C. (2000). *Theories and Models in Social Marketing*. In PN Bloom & GT Gundlach (Eds.), Handbook of Marketing and Society, Newbury Park, CA: Sage Publications.

Manrai, L.A. and A.K. Manrai (2011). Hofstede's Cultural Dimensions and Tourist Behaviors: A Review and Conceptual Framework. *Journal of Economics, Finance, and Administrative Science*, Vol. 16, No.31, pp. 23-48.

Norton, A., Conway, T., & Foster, M. (2001). Social protection concepts and approaches: Implications for policy and practice in international development. Working Paper 143, London: Overseas Development Institute.

Oliver, J. D. and S. Lee (2010). Hybrid Car Purchase Intentions: A Cross-Cultural Analysis. *Journal of Consumer Marketing*, Volume 7, Issue 2, pp. 96-103.

Peattie, K., & Peattie, S.(2003). Ready to fly solo? Reducing social marketing's dependence on commercial marketing theory. *Marketing Theory*, 3(3), 365–85.

Roberts, J. A. (1993). Sex differences in socially responsible consumer behavior, *Psychological Reports*, 73(1), 139-148.

Shaw, D., & Clarke, I. (1999). Belief formation in ethical consumer groups: an exploratory study. *Marketing Intelligence & Planning*, 17(2), 109-120.

Sparks, P., & Guthrie, C. A. (1998). Self-Identity and the Theory of Planned Behavior: A Useful Addition or an Unhelpful Artifice? *Journal of Applied Social Psychology*, 28(15), 1393-1410.

Strong, C. (1996). Features contributing to the growth of ethical consumerism-a preliminary investigation. *Marketing Intelligence & Planning*, 14(5), 5-13.

Van Ginneken, Wouter (ed.) (1999). Social security for the excluded majority: Case studies of development countries. ILO, Geneva

Webster Jr F. E. (1975). Determining the characteristics of the socially conscious consumer. *Journal of Consumer Research*, 2, 188–96.

World Watch Institute (2015). Vision for a Sustainable World. Retrieved from http://www.worldwatch.org/node/810 on 17th October, 2015

# Changing Moral Judgments of Short and Long Speculation: The Role of Moral versus Economic Arguments and the Consumer's Motivational Orientation

Subimal Chatterjee, Binghamton University, SUNY, USA M. Deniz Dalman, Saint Petersburg State University, Russia

### **EXTENDED ABSTRACT**

Research suggests that consumers regard short selling less moral than long selling (short sellers make money when other suffer whereas long sellers make money when others prosper). This is contrary to normative/descriptive tenets of moral judgments because neither the short seller nor the long seller directly causes the misfortune/fortune of others (Lotz and Fix 2013). The accepted explanation is that consumers blame short sellers for holding wicked desires and deem that morally wrong (Inbar, Pizarro, and Cushman 2012).

In this paper, we propose that we can alter the asymmetric moral judgments of long/short speculation in three ways. First, we can provide explicit moral arguments as to why speculation (either long or short) is bad for society by describing long/short speculation as alternate forms of gambling (Borna and Lowry 1987; Ryan 1902). We expect that invoking a gambling frame should equate the moral judgments of the two by making long selling look just as bad as short selling.

Second, we can provide economic arguments as to why speculation (either long or short) is good for society by justifying that speculation improves market efficiency (Angel and McCabe 2009). We expect that invoking an efficiency frame should also equate the moral judgments of the two practices, but now making short selling look just as good as long selling.

Finally, and third, we can frame the economic justifications in a way that fits with the two main motivational orientations of consumers (seeking gains versus avoiding losses or promotion versus prevention orientations; Higgins 1997, 1998). For example, the argument that short selling signals assets are overpriced and thereby enable others to avoid losses (by not investing in overpriced assets) fits with a prevention mindset. Similarly, the argument that long selling signals assets are underpriced and thereby enable others to make gains (by investing in underpriced assets) fits with a promotion mindset. The upshot is that whereas promotion oriented consumers will judge long selling as morally superior to sort selling (the traditional asymmetry), prevention oriented consumers will judge short selling as moral as long selling (see also Cornwell and Higgins 2016).

We conducted two studies to test our hypotheses. Deviating from current research that focuses on the moral judgments of a third person (the long/short agent), we ask participants about their own intentions to engage in speculation based on the recommendations of an agent. We propose that how consumers judge the recommending agent (moral/immoral) will indirectly affect their intentions to engage in speculation (a mediation process). However, the description frame (gambling versus efficiency) and the consumer's motivational orientation will moderate the morality judgments (a moderated mediation process).

In Study 1, we recruit two hundred M-Turk participants (83 females) and randomly assign them to the six experimental conditions (31 to 35 per cell) of a 2 (short selling, long selling) by 3 (control, gambling frame, efficiency frame) between subjects design.

The participants read a scenario where an agent recommends the purchase of derivatives (short versus long) linked to the fortunes of a target company. In the short (long) condition, the derivatives make money if the stock price of the company goes down (up). In the control conditions, we give the basic explanation of short and long trades. In the other two conditions, we add that (1) long/short trades are like betting heads or tails on the stock price of the focal company going up or down (gambling frame) or that (2) long/short trades improve market efficiency by revealing whether the current stock price of the focal company is overvalued or undervalued (efficiency frame).

The participants judged the moral character of the agent (9-point scales, good/bad person, holding good/bad moral standards; Inbar et al., 2012). They indicated their intention to participate in long/short trades by rating how attractive/unattractive they found the trades, and how likely/unlikely they were to engage in them (all 9-point scales). We controlled for the participant's moral philosophy (idealism versus relativism; Forsyth 1980, 1992) as well as their experience with financial investments (Baron and Kemp 2004). We found the indirect effect of long/short recommendations on intentions to engage in long/short trades (operating via moral judgments) to be significant in the control conditions but not so when we framed speculation as gambling. The indirect effect remained significant, however, when we framed speculation as improving market efficiency.

We draw one important conclusion from Study 1. Whereas framing long selling as an alternate form of gambling is able to degrade the moral judgment of long sellers, framing short selling as improving market efficiency is unable to elevate the moral judgment of short sellers.

In Study 2, we recruit 113 M-Turk participants (48 females) and randomly assign them to the four experimental conditions (24 to 35 per cell) of a 2 (short agent, long agent) by 2 (regulatory orientation) between subjects design. The main scenario is similar to Study 1's control condition except that we add that short trades can help other investors to avoid losses (by not investing in overpriced assets) and long trades can help other investors to make gains (by investing in underpriced assets).

We temporally induced promotion and prevention orientations across participants using a well-established regulatory focus induction protocol (Cornwell and Higgins, 2016; Freitas and Higgins, 2002). We asked participants to write an essay describing their hopes and aspirations (promotion focus) or their duties and obligations (prevention focus) both when they were growing up and now. We found the indirect effect of long/short recommendations on intentions to engage in long/short trades (operating via moral judgments) to be significant among promotion-oriented participants but not among prevention-oriented participants.

Study 2 shows that we can elevate the moral judgments of short sellers among prevention-oriented consumers by using an efficiency argument, as long as the frame fits with their prevention orientation (short sellers help others avoid losses). This has important implications on how financial institutions can alter their marketing communications so that the public can identify with the institution at a moral level (Choi and Winterich 2013). Such framing, in turn, might lessen the bad reputation of these organizations in the mind of the public.

Adjusted Cell Means for Moral Judgments and Intention to Engage in Speculation

#### STUDY 1

	Moral Ju	Idgments	Intention to Engage in Speculation		
	Long Selling	Short Selling	Long Selling	Short Selling	
Control	6.82	5.92	6.87	5.92	
Gambling Frame	5.81	5.97	5.28	5.97	
Efficiency Frame	6.44	5.26	6.52	5.73	

	Moral Ju	Idgments	Intention to Engage in Speculation		
	Long Selling	Short Selling	Long Selling	Short Selling	
Prevention Focus	6.08	6.25	6.35	5.26	
Promotion Focus	6.07	6.01	6.53	5.71	

# REFERENCES

Angel, J. J., & McCabe, D. M. (2009). The business ethics of short selling and naked short selling. *Journal of Business Ethics*, 85(1), 239-249.

Baron, J., & Kemp, S. (2004). Support for trade restrictions, attitudes, and understanding of comparative advantage. *Journal of Economic Psychology*, *25*(5), 565-580.

Borna, S., & Lowry, J. (1987). Gambling and speculation. *Journal* of Business Ethics, 6(3), 219-224.

Choi, W. J., & Winterich, K. P. (2013). Can brands move in from the outside? How moral identity enhances out-group brand attitudes. *Journal of Marketing*, 77(2), 96-111.

Cornwell, J. F., & Higgins, E. T. (2016). Eager feelings and vigilant reasons: Regulatory focus differences in judging moral wrongs. *Journal of Experimental Psychology: General*, 145(3), 338.

Forsyth, D. R. (1980). A taxonomy of ethical ideologies. *Journal of Personality and Social Psychology*, *39*(1), 175.

Forsyth, D. R. (1992). Judging the morality of business practices: The influence of personal moral philosophies. *Journal of Business Ethics*, 11(5-6), 461-470.

Freitas, A. L., & Higgins, E. T. (2002). Enjoying goal-directed action: The role of regulatory fit. *Psychological Science*, 13(1), 1-6.

Higgins, E. T. (1997). Beyond pleasure and pain. American Psychologist, 52(12), 1280.

Higgins, E. T. (1998). Promotion and prevention: Regulatory focus as a motivational principle. Advances in Experimental Social Psychology, 30, 1-46.

Inbar, Y., Pizarro, D. A., & Cushman, F. (2012). Benefiting from misfortune when harmless actions are judged to be morally blameworthy. *Personality and Social Psychology Bulletin*, 38(1), 52-62.

Lotz, S., & Fix, A. R. (2013). Not all financial speculation is treated equally: Laypeople's moral judgments about speculative short selling. *Journal of Economic Psychology*, 37, 34-41.

Ryan, J. A. (1902). The ethics of speculation. *International Journal* of *Ethics*, 12(3), 335-347.

# **Magical Machines Meet Magical People**

Russell Belk, York University, Canada

### ABSTRACT

Ever since ancient autonoma and medieval alchemy, we have attempted to create artificial humans. Computer-driven AI robotics is now producing humanoid creatures with near-human intelligence. In response, more machine-like and enhanced human cyborgs may be necessary as future dueling magical systems compete for survival.

### **MAGICAL MACHINES**

Various cultures have envisioned their gods as having created humans by shaping them from clay, dust, wood, brass, bronze, gold, stones, pollens, grasses, excrement, sand, or water scum (Simmons 1992). Humans since ancient times have sought to imitate such miracles by creating machines that mimic people. Early automata were mechanical moving imitations of humans, animals, or gods, like the water-and cam-driven hydraulic drinking, singing, and moving birds created by the Greek inventor Ctesibius (c. 270 BCE), the spring-driven magpie and horse created for Chinese king Shu Tse (c. 500 BCE), and the lever-driven articulated human figurines found in ancient Egyptian tombs (c. 2000 BCE) (During 2002; Nelson 2001; Riskin 2010; Simmons 1992). Some of the Greek automata were located at temples and spoke as oracular priests or priestesses. People, including those who were aware of their internal mechanisms, attributed minds and souls to these machines (McCorduck 1979; Suchman 2007).

In Medieval Europe attempts to create life via alchemy flourished using combinations of science, magic, and religion, such as combining human vital fluids with horse manure and adding sacred incantations in an attempt to create a homunculus (Nelson 2001). A related practice within the Jewish mystical tradition of *kabbalah* involved bringing a clay figure to life using the Hebrew letters for the name of God. The most famous Golem was supposedly created by Rabbi Loew of Prague. It was initially protective of the people, but grew increasingly uncontrollable. Eventually it killed the Rabbi (Campbell 2010; Simons 1992), suggesting that playing God is very dangerous.

Automata led to questioning whether artificial and natural life are similar or different (Riskin 2007). With each new accomplishment in simulating humans and animals, the assumption that machine life is an oxymoron was challenged and the belief that humans are totally unique was weakened. This questioning continues in the present age of robots, with computers adding to the sophistication of these machines. Recent robots include Honda's ASIMO, Google's self-driving cars, Roomba's semi-autonomous vacuum cleaners, and Sony's AIBO robotic dogs, as well as armed and surveillance drones, smart bombs, smart homes, and smart cars (see Belk 2016). The robots in these contexts may or may not be humanoid (android if male, gynoid if female), but regardless, they are likely to be anthropomorphized and regarded as human-like (e.g., Aggarwal, and McGill 2007; Goudey and Bonnin 2016; Landwehr, McGill, and Herrmann 2011).

Robot selves frame two changes in the notion of extended self in "The Age of Robots" (Moravec 1994). The first is the prospect that as we acquire personal robots to serve us, we will begin to think of these devices as surrogates, continuing a progression from the extended self (Belk 1988) to the digital extended self (Belk 2013) to the robotic extended self (Groom, Takayama, Ochi, and Nass 2009; Nishio, Watanab, Ogawa, and Ishiguro 2013). The second, and potentially more profound prospect is that these robots will evolve from programmed tools to semi-autonomous and autonomous beings that can become non-human legal persons and perhaps moral persons with selves of their own (Belk forthcoming). Robots, whether as a special object or an emerging subject, prompt us to re-examine our fundamental existential concepts.

Prior consumer research on technology consumption (e.g., Belk 2013; Kozinets 2008; Mick and Fournier 1998) has employed an instrumental view of technology much like that of Heidegger (1977) who regarded it as axiomatic that technology is a tool for humankind to use – a means to an end (Lewin 2015). Heidegger (1977, 5) does, however, introduced a cautionary note that our control of these creations may be tenuous:

We will, as we say, 'get' technology 'spiritually in hand.' We will master it. The will to mastery becomes all the more urgent the more technology threatens to slip from human control (Heidegger 1977, 5).

This fear is also implicit in the ambivalent feelings experienced by Mick and Fourier's (1998) technology consumers and Kozinet's (2008) "Green Luddite" consumers. Even Sherry (2000), who sees the sacred and magical potential of technology, worries about technology's potentially inhumane effects. But the fear in these accounts is still with the consumer's and society's lack of mastery of technē, rather than with the agency of the technological object, the possibility that such an object might have rights and responsibilities, or the worry that we are beginning to dangerously tamper with nature as we seek to merge with the machine.

#### MAGICAL PEOPLE

As robotic devices become more autonomous, it is possible that we will be less able to regard them as self extensions and more apt to see them as our Other. With the *Singularity* when Artificially Intelligent (AI) robots become autonomous and exceed our intelligence, humans may become expendable. To prevent extinction, we may need to become cyborgs. Cyborgs (cybernetic organisms) are machine-like humans (Clynes and Kline 1960). As machines become more superhuman and as we become more hybridized human-machines, even once-sharp boundaries like that between persons and things begin to dissolve if they have not already.

The figure of the cyborg was brought to prominence by Donna Haraway (1985, 1991). Although Haraway defines the cyborg as "a hybrid of machine and organism," she also notes that it is "a creature of social reality as well as a creature of fiction" (149). That is, Haraway was more concerned with considering the cyborg as a metaphor than a material reality (Best and Kelner 2001; Lenoir 2007; Ranisch and Sorgner 2014). As a metaphoric boundary-straddler, the cyborg that Haraway celebrates is one that collapses dualisms such as "self/other, mind/body, and male/female (Kang 2011, 304).

Cyborg modifications include not only be mechanical prostheses but also biological alterations like the Botox injections studied by Giesler (2012). These modifications may or may not be benign (e.g., Rembold 2014). Still most modifications seek to make us smarter, happier, more attractive, more physically powerful, more sexually capable, more long-lived, or even better able to follow our moral intentions such as helping others (Hughes 2014), or being more spiritual (Cole-Turner 2011). Other non-mechanical cyborgian modifications include organ transplants, artificial organs, and drugaided alterations like those suggested by Clynes and Kline (1960) to slow astronaut metabolism and heartbeat, maintain muscle tone, and regulate sleep. Performance enhancing drugs, plastic surgery, bionic limbs, and chip-enhanced cognition are other non-mechanical cyborgian technologies (Barfield 2015).

During the 1990s as the human genome was being mapped and sequenced, there was palpable excitement that the secret to life was being revealed. As Nelkin and Lindee (1995) summarize: "DNA has taken on the social and cultural functions of the soul. It is the essential entity-the location of the true self-in the narratives of biological determinism" (41). DNA was seen as immortal, sacred, and largely independent of the body. As Noble (1999) observed, "DNA spelled God, and the scientists' knowledge of DNA was a mark of their divinity" (181). Modifying DNA through gene therapies or more profound modifications to germ line inheritable traits and abilities are also now possible or on the horizon (Mehlman 2009), although the specter of eugenics remains a significant concern (Nelkin and Lindee 1995). But Kurzweil (2003, 2012) argues that if the cyborg is in a race to keep up with robotic development in order to avoid being eclipsed or eliminated, genetic engineering is too slow. He suggests that future nanotechnology may provide a more rapid shortcut through reinventing our cells.

In the non-biological realm of the computer, Alan Turing (1950) suggested that, "Perhaps this [consolation for those fearful of jeopardizing mankind's privileged position] should be sought in the transmigration of souls" (442). What Turing had in mind was not Hindu or Buddhist reincarnation or ancient Greek or Kabbalistic Metempsychosis, but the transfer of human souls to machines, a prospect now referred to as upnloading consciousness to a computer (Corabi and Schneider 2012; Best and Kelner 2001). In both the biological realm of DNA decoding and the digital realm of uploaded intelligence encoding, we can see nothing less than a search for the secrets of life and immortality. It is a fervent search that is both ancient and on-going. Throughout this search there is an ever-present undercurrent of religion, a quest for transcending everyday life and nearing the sacred (Belk, Wallendorf, and Sherry 1989; Rinallo, Scott, and Maclaran 2013). There are both triumphalist and fearful charges of playing God, creating life, and attempting to become gods. And there are corresponding high-tech narratives of salvation, sin, redemption, resurrection, paradise, slavery, rebellion, warfare, human rights, machine rights, perfection, doom, monsters, and more. Clearly this is the realm where the drama of future life is increasingly played out both in fact and in magical fiction.

Humans, as both consumers and citizens, play a key role in all of this. As consumers, we are increasingly invited to modify and transform ourselves in ways that promise or threaten our becoming cyborgs -either human-machine hybrids or pharmacologically and genetically modified humans. We have begun to rely on Internet-based device-enabled extensions of our memories and representations of our selves (Belk 2013). We can avail ourselves of in-vitro fertility enhancements and are close to realizing the possibility of human cloning, "designer babies," and human genetic engineering (David-Floyd and Dumit 1998; Mehlman 2009; Nelkin and Lindee 1995). Some ardently believe that we will soon have the option to become transhuman beings capable of living indefinitely. And transhumans are seen as a waypoint in creating a new species -- truly posthuman beings. Hayles (2005, 1) describes this trajectory as the move from "Homo sapiens to Robo sapiens, from humans to intelligent machines."

#### CONCLUSION

It is all too easy to dismiss some of these concerns as mere science fiction. But given the present rate of technological development, they are imminent concerns for our century. Consumer

#### Latin America Advances in Consumer Research (Volume 4) / 29

research is needed both to gauge or modify the acceptance of robots, cyborgs, and superintelligent AI, as well as to examine the potential consequences of these developments. As robotic devices become smarter and more autonomous they may see obeying less intelligent humans as a form of slavery. Becoming better cyborgs may be a necessary response. As machines become more human-like or super-human and as we become more hybridized human-machines, once-sharp distinctions between persons and things are becoming fuzzier. Ironically, achieving human and robot transcendence through such a merger may mark the end of humanity as we have known it.

There are two opposing thrusts in technological development that have been labeled AI (artificial intelligence) and IA (intelligence augmentation). The distinction between the two first emerged in the 1960s in two research laboratories near Stanford University. In one John McCarthy, who coined the term "artificial intelligence," began designing technologies to simulate human capabilities. At the other, Douglas Engelbart began designing technologies to augment rather than replace human capabilities. The AI movement led in the direction of autonomous robots, while the IA movement led in the direction of cyborgs. The AI route has given us Google's self-driving car which lacks steering wheels, brake pedals, and accelerator pedals (Markoff 2015). Tesla's self-driving car, in contrast, requires that the human remain at the wheel and ready to take over driving whenever an alarm sounds. This is the IA approach and it is also seen in Apple's Siri, Amazon's Echo, Microsoft's Cortana, and Google's Home, which are designed to interact with humans and to personify the computer, smartphone, and Internet of Things.

There are opportunities for IA and AI to work together however. Some personal care applications involve autonomous or semi-autonomous robots, while others like the exoskeletons of HAL (Hybrid Assistive Limb) are meant to augment human performance. And despite Google's AI approach to self-driving cars, Markoff (2015) calls Google's search engine "the most significant 'augmentation' tool in human history" (185). But the design philosophy and consumer impact of the two approaches is quite different. This leads to debates like those concerning the morality of autonomous battlefield robots that can kill without a human decision maker being involved. Consumers and consumer research can play a role in influencing at least some of the decisions about IA versus AI. Ultimately it is not directly about the machine or about the human; it is about the consumer and what he or she will accept, support, and purchase.

- Aggarwal, Pankaj and Ann McGill (2007), "Is That Car Smiling at Me? Schema Congruity as a Basis for Evaluating Anthropomorphized Products," *Journal of Consumer Research*, 34 (4), 468-79.
- Barfield, Woodrow (2015). Cyber-Humans: Our Future with Machines, Cham, Switzerland: Springer.
- Belk, Russell (2013), "Extended Self in a Digital World," Journal of Consumer Research, 40 (October), 477-500.
- Belk, Russell (2016), "Understanding the Robot: Comments on Goudey and Bonnin," *Recherche et Applications en Marketing*, 31 (4), 89-97.
- Belk, Russell (forthcoming), "Consumers in an Age of Autonomous and Semi-Autonomous Machines," in John Sherry, Jr. and Eileen Fischer, ed., *Currents in Consumer Culture Theory*, London: Routledge.
- Belk, Russell, Melanie Wallendorf, and John F. Sherry, Jr. (1989),
  "The Sacred and The Profane in Consumer Behavior: Theodicy on the Odyssey," *Journal of Consumer Research*, 15 (1), 1-38.

#### 30 / Magical Machines Meet Magical People

Best, Steven and Douglas Kellner (2001), *The Postmodern Adventure: Science, Technology, and Cultural Studies*, New York: Guilford Press.

Campbell, Norah (2010), "Future Sex: Cyborg Bodies and the Politics of Meaning," *Advertising and Society Review*, 11 (1), <u>https://www.academia.edu/6761036/Future\_Sex\_Cyborg\_Bodies\_and\_the\_Politics\_of\_Meaning\_Advertising\_and\_</u> Society Review vol. 11 Issue 1, last accessed July 2, 2016

Clynes, Manfred and Nathan Kline (1960),"Cyborgs and Space," *Astonautics*, September, 26-27, 75-76.

Cole-Turner, Ronald (2011), "Spiritual Enhancement," in Calvin Mercer and Tracy J. Trothen, ed., *Religion* and Transhumanism: The Unknown Future of Human Enhancement, Santa Barbara, CA: Praeger, 369-383.

Corabi, Joe and Susan Schneider (2012), "The Metaphysics of Uploading," *Journal of Consciousness Studies*, 19 (7-8), 26-44.

Davis-Floyd, Robbie and Joseph Dumit, ed. (1998), *Cyborg Babies:* From Techno-Sex to Techno Tots, New York: Routledge.

During, Simon (2002), *Modern Enchantments*, Cambridge, MA Harvard University Press.

Giesler, Markus (2012), "How Doppelgänger Brand Images Influence the Market Creation Process: Longitudinal Insights from the Rise of Botox Cosmetic," *Journal of Marketing*, 76 (November), 55-68.

Goudey, Alain and Gael Bonnin (2016), "Must Smart Objects Look Human? Study of the Impact of Anthropomorphism on the Acceptance of Companion Robots," *Recherche et Applications en Marketing*, 31 (2).

Groom, Victoria, Leila Takayama, Paloma Ochi, and Clifford Nass (2009), "I Am My Robot: The Impact of Robot-building and Robot Form on Operators," *Proceedings of the 4<sup>th</sup> ACM/IEEE International Conference on Human Robot Interaction*, March 9, 31-36.

Haraway, Donna (1985) "A Manifesto for Cyborgs: Science, Technology, and Socialist Feminism in the 1980s," *Socialist Review*, 80, 65-107.

Haraway, Donna (1991), "A Cyborg Manifesto: Science, Technology and Socialist-Feminist in the Late Twentieth Century," *Simians, Cyborgs, and Women: The Reinvention of Nature*, New York: Routledge, 149-81.

Hughes, James (2014), "How Conscience Apps and Caring Computers Will Illuminate and Strengthen Human Morality," in Russell Blackford and Daien Broderick, ed., *Intelligence* Unbound: The Future of Uploaded and Machine Minds, Chichester, UK: John Wiley & Sons, 26-34

Kang, Minoo (2011), Sublime Dreams of Living Machines: The Automaton in the European Imagination, Cambridge, MA: Harvard University Press.

Kurzweil, Ray (2003), "The Human Machine Merger: Are we Headed for the Matrix?" <u>http://www.kurzweilai.net/thehuman-machine-merger-are-we-headed-for-the-matrix, last</u> <u>accessed July 2, 2016</u>.

Kurzweil, Ray (2012), How to Create a Mind: The Secret of Human Thought Revealed, New York: Penguin.

Landwehr, Jan, Ann McGill, and Andreas Herrmann (2011),
"It's got the Look: The Effect of Friendly and Aggressive
'Facial' Expressions on Product Liking and Sales." *Journal of Marketing*, 75 (3), 132-46. Lenoir, Timothy (2010), "Techno-Humanism: Requiem for a Cyborg," in Jessica Riskin, ed., *Genesis Redux*, Chicago: University of Chicago Press, 196-220.

Lewin, David (2015), "Technology," in Nicholas Adams, George Pattison, and Graham Ward, ed., *The Oxford Handbook of Theology and Modern European Thought*, Oxford: Oxford University Press. 457-76.

Markoff, John (2015), Machines of Loving Grace: The Quest for Common Ground Between Humans and Robots, New York: HarperCollins.

Mehlman, Maxwell (2009), *The Price of Perfection: Individualism and Society in the Era of Biomedical Enhancement*, Baltimore, MD: Johns Hopkins University Press.

Mick, David and Susan Fournier (1998), ""Paradoxes of Technology: Consumer Cognizance, Emotions, and Coping Strategies," *Journal of Consumer Research*, 25 (2), 123-43.

Moravec, Hans (1994), "The Age of Robots," *Extro 1, Proceedings* of the First Extropy Institute Conference on TransHumanist Thought, 84-100, <u>http://www.ri.cmu.edupublication\_view.</u> <u>html?pub\_id=1810</u>, last accessed April 18, 2015.

- Nelkin, Dorothy and M. Susan Lindee (1995), *The DNA Mystique: The Gene as a Cultural Icon*, Ann Arbor, MI: University of Michigan Press.
- Nishio, Shuichi, Tetsuya Watanabe, Kohei Ogawa, and Hiroshi Ishiguro (2013), "Body Ownership Transfer to Teleoperated Android Robot," *Journal of the Robotics Society of Japan*, 31 (9), 854-57.
- Noble, David (1999), The Religion of Technology: The Divinity of Man and the Spirit of Invention, New York: Penguin.
- Ranisch, Robert and Stefan Sorgner (2014), "Introducing Post- and Transhumanism," in Robert Ranisch and Stevan Sorgner, ed., *Post- and Transhumanism: An Introduction*, Frankfurt: Peter Lang, 7-27.
- Rinallo, Diego, Linda Scott, and Pauline Maclaran, ed., (2013), Consumption and Spirituality, London: Routledge.

Rembold, Stefanie (2014), "'Human Enhancement'? It's all about 'Body Modification'! Why We Should Replace the Term 'Human Enhancement' with 'Body Modificastion'," *Nanoethics*, 8, 307-15.

Riskin, Jessica (2007), *Genesis Redux: Essays in the History and Philosophy of Artificial Life*, Chicago: University of Chicago Press.

Riskin, Jessica (2010), "Machines in the Garden," *Republics of Letters*, 1 (2), <u>http://arcade.stanford.edu/rofl/atificial-men-alchemy-transubstantiation-and-homunculus</u>, last accessed: May 2, 2015.

Sherry, John (2000), "Place, Technology, and Representation," *Journal of Consumer Research*, 27 (2), 273-78.

Simmons, Geoff (1992), *Robots: The Quest for Living Machines*, London: Cassell.

Suchman, Lucy (2007), Human-Machine Reconfigurations: Plans and Situated Actions, 2<sup>nd</sup> ed., Cambridge: Cambridge University Press.

Turing, Alan (1950), "Computing Machines and Intelligence," Mind, 49, 433-60.

# The Role of Anxiety and Regret After an Unsatisfactory Service Recovery

Gilmar D'Agostini Oliveira Casalinho, Federal Institute of Education, Science and Technology (IFRS), Brazil Roberto Guedes Nonohay, Federal University of Rio Grande do Sul, Brazil

Eduardo Rech, Federal University of Rio Grande do Sul, Brazil

# EXTENDED ABSTRACT

Trust violation on suppliers is a problem facing operations and marketing managers. However, sometimes this kind of problem has nothing to do with company's capacity to deal with adversities but, instead, from individuals characteristics like buyer's levels of anxiety or regret.

So, how can some individuals characteristcs influence company's level of confidence on a supplier? We investigate how different levels of anxiety and regret can influence buyer's trust on suppliers. We also address the difference of trust levels for those individuals after suffering a double deviation (i.e., unsatisfactory service recovery, DD) from supplier and its propensity to change supplier.

Trust violation occurs when the individual (i.e., buyer) realizes that the recipient of that trust (i.e., supplier) is acting in a manner contrary to the individual's expectations (Tomlinson, Dineen, and Lewicki 2004). According to Basso and Pizzutti (2016), as a consequence, suppliers must strive to restore buyer trust to maintain relationships and to prevent them from avoiding or retaliating against the supplier (Grégoire, Tripp, and Legoux 2009).

Many individual characteristics may influence on confidence or trust levels in any part of business routines. However little is known about the influence of personal charateristics on procurement and operations. Trying to explain the impact of some personality traces regarding trust on suppliers, we use the Regret Scale (Schwartz *et al.*, 2012) and the Beck Anxiety Inventory (1991).

A total of 138 participants (MTurk) went through a role-playing situation created according to Rungtusanatham, Wallin and Eckerd (2011). In the proposed task, participants were asked to assume the role of a Procurement Manager and briefed of the importance of the procurement process within companies.

Participants were informed that they worked for an automaker and needed to buy break disks. We proposed that after analyzing a list of suppliers they opted to buy from Supplier A. Next participants were informed of the success (products arrived on time as expected) or failure (delay on product arrival) in the transaction. They were also informed of the new demand and the need of a new purchase, also from Supplier A. The next slide showed the success or failure of this new purchase and a new demand. In this purchase participants were given a choice to continue buying from Supplier A or to switch to Supplier B. A final result of the purchase process was given.

Four conditions were created in order to test trust violation after DD. Conditions were randomly assigned between-subjects as follows: 1: success in all purchases; 2: failure in the first purchase and success in all others; 3: failure in the first two purchases (DD) and success in the third purchase; and 4: failure in all purchases. After, participants were asked to state their level of confidence in Supplier A and Supplier B (if applicable), and to answer the psychological instruments.

In DD conditions (3 and 4) 87,5% and 91,4% of participants respectively decided to switch to Supplier B. Levels of confidence were presented as a 6-point Likert scale from "Totally not confident" to "Totally confident". The mean stated confidence levels for Supplier A in DD situations was 2.07 (SD = 1.16) and 4.12 (SD = 1.34) for Supplier B.

We found statistically significant effects for the interaction between conditions and anxiety results on levels of confidence on Supplier A (F=5.84, p<0.001), specifically for condition 3 (p<0.001). We also found main effects of different conditions (F=107.29, p<0.001) and anxiety results (F=4.31, p<0.05) on confidence level on Supplier A.

Similarly, we found statistically significant effects for the interaction between conditions and regret scale results on levels of confidence on Supplier A (F=2.88, p<0.05), specially for condition 3. The effect of different levels of trust violation on confidence level on Supplier A was also statistically significant at levels p<0.001, specifically for conditions 1, 3 and 4.

In this experiment we could address part of an important situation that occurs in many supply chain environments, the effects of behavioral carachteristics on trust violation. We confirmed some previous research as the one from Basso and Pizzutti (2016) where after a double deviation an unsatisfactory service recovery may lead to a change between suppliers.

We also extended those findings when bringing into discussion the important moderating roles of anxiety and regret on different levels of confidence on suppliers previously designated, e.g., the more anxious is the buyer's state at decision point, less confidence this individual will input on suppliers. As next steps in our research we are already carrying two other studies, specifically in our moderation hypothesis, which will bring more sensitive data.

- Basso, K., Pizzutti, C. (2016), Trust Recovery following a Double Deviation, *Journal of Service Research*, 19, 2, 209-223.
- Beck AT, Steer RA (1991). Relationship between the Beck Anxiety Inventory and the Hamilton Anxiety Rating Scale with anxious outpatients. *Journal of Anxiety Disorders*. 5, 213–223
- Fox, S. (1994), "Empowerment as a catalyst for change: and example from the food industry", *Supply Chain Management*, 2, 3, pp. 29-33.
- Grégoire, Y., Tripp, T. and Legoux, R. (2009), "When Customer Love Turns into Lasting Hate: The Effects of Relationship Strength and Time on Customer Revenge and Avoidance," Journal of Marketing, 73, 6, 18-32.
- Morgan, R. M. and Hunt, S. (1994), "The Commitment- Trust Theory of Relationship Marketing," Journal of Marketing, 58, 3, 20-38.
- Rungtusanatham, M., Wallin, C., Eckerd, S. (2011), The Vignette in a scenario-based role-playing experiment. *Journal of Supply Chain Management*, 47, 3, 9-16.
- Schwartz, B., Ward, A., Monterosso, J., Lyubomirsky, S., White, K., & Lehman, D. R. (2002). Maximizing versus satisficing: happiness is a matter of choice. *Journal of Personality and Social Psychology*, 83, 1178- 1197.
- Tomlinson, E. C., Dineen, B. and Lewicki, R. (2004), "The Road to Reconciliation: Antecedents of Victim Willingness to Reconcile Following a Broken Promise," *Journal of Management*, 30, 2, 165-187.

# Dramas of a Patriotic Brand: Conflicts on The Process of Legitimating The Local Belongingness of a Brand

Marlon Dalmoro, Univates, Brazil

Giandomenico Iembo, Univates, Brazil

João Pedro Dos S. Fleck, Pontificia Universidade Católica do Rio Grande do Sul, Brazil

### **EXTENDED ABSTRACT**

Brands are complex symbols that become powerful narrative resources to express identity and national belongingness (Holt, 2002, Holt, 2004, Dong & Tian, 2009, Luedicke, Thompson, & Giesler, 2010). However, few have been said on dysfunctional cases on the relationship building between a brand and its consumers (Arsel & Stewart, 2016). On a noteworthy exception, Thompson, Rindfleisch e Arsel (2006) use the term *doppelgänger* to diagnose the vulnerabilities of the cultural history of a brand. Recently, Geisler (2012) also used the concept of *doppelgänger* to analyze the dramas in the brand legitimation process, demonstrating that brands are subjected to the circulation of negative images and stories on the cultural universe in which they participate, promoted by other stakeholders, resulting in the contestation of the narrative desired by the brand owners.

In this specific study, we shed light on the political and territorial aspects involved in the building of a brand, aiming at understand the process of local belongingness legitimation of a brand in a given community. Using the concept of social drama (Turner, 1988) that recognize that social processes are negotiated inside a social system and become visible mainly when there's an infraction of social norms by one of the involved actors, the study analyzed the conflicts involved in Fiat brand legitimation in Italy.

A netnography was carried out to analyze the information flow on the internet - Youtube three websites that congregates car lovers, in which we follow 60 pre-existent discussion forums and we created three specific forums on the theme of our study - to understand the narratives involved in a marketing campaign of the Fiat brand in Italy entitled 'Questa è l'Italia che piace' (This is the Italy we make). Release in 2012, this campaign represented a change in the communication of the brand in Italy, aiming at becoming a protagonist in a period of evolution and growth after the economic crisis of the previous years, through a strong nationalist assertion. Fiat is the main motor company in Italy and it's considered a symbol of the country. However, the attempt of strengthening the local belongingness of the brand was developed along with an attempt of strengthening the global position of the brand (Vergine, 2014). Our data analyzes resulted in four themes, involving a process the started with the brand deterritorialization, a drama personalization around the Fiat president figure, an inflexion around the mutual perception of guilt and gain, closing with the doppelgänger of the brand doppelgänger.

In this sense, our results emphasize the social drama involved in the judgment of consumers regarding the performance that the brand should have in a given community. Inspired on the idea of social drama of Turner (1988), analyzing the case of the Fiat brand in Italy, we can observe that the dramas on constructing and legitimating the local belongingness of the brand follow the aesthetical form of the Ancient Greek tragedy, involving phases of rupture, crisis intensification, restorative action and the denouement.

Our research demonstrates that brands incorporate a local commitment in its historical construction in a given community (such as a country), similar to the commitment of s citizen, involving notions of self-governance and rights and aware of the values and social norms (Turner, 1997). The dramas are constituted on the tension between what is expected of a 'citizenship brand' and the economic and market dynamics. This tension includes questionings and reinforcement of the political constructions, such as the neoliberal practices globally disseminated, in which the companies would have complete freedom to find locals that provide more profitability as a counterpoint for the conception that it's the citizen duty to defend the nation, reinforcing a nationalist duty of the brand.

Consonant with the findings of Geisler (2008), Luedicke *et al.* (2010), Humphreys and Latour (2013), the main contribution of our paper resides in demonstrating that the dramas on the construction and legitimation of the local belongingness of a brand is oriented by moral evaluation of the brand narratives. The consumers moral frame direct the attention to particular aspects of the brand, making, for instance, that someone guided by a nationalist frame question the deterritorialization of the brand, while others guided by a liberal frame praise this deterritorialization.

Therefore, this paper demonstrate that the brand local belongingness is not constructed in a singular and universal form, but interpreted and reinterpreted through the lenses of the consumers' moral frames. These findings allow us to broaden the complex analysis of the relationship between brands and consumers, by considering notions of local belongingness as a key element on the brand narratives construction, even in globalized markets. Equally, the results have potential implications to the comprehension of dilemmas of contemporary society in the search for political models intermediated by the market, recognizing that the brands are seen as citizens of a determined community and evaluated under the aegis of its moral behavior in that community.

- Arsel, Z., and Stewart, S. (2016). Identity Degrading Brands. In: Fournier, S., Breazeale, M.J, and Avery, J. (eds). Strong Brands, Strong Relationships. London: Routledge.
- Dong, L., and Tian, K. (2009). The Use of Western Brands in Asserting Chinese National Identity. *Journal of Consumer Research*, 36(3), 504-52
- Giesler, M. (2008). Conflict and Compromise: Drama in Marketplace Evolution. *Journal of Consumer Research*, 34(6), 739-753.
- Giesler, M. (2012). How doppelgänger brand images influence the market creation process: Longitudinal insights from the rise of Botox cosmetic. *Journal of Marketing*, 76(6), 55-68.
- Holt, D.B. (2002). Why do brands cause trouble? A dialectical theory of consumer culture and branding. *Journal of Consumer Research*, 29(1), 70-90.
- Holt, D.B. (2004). How Brands Become Icons: The Principles of Cultural Branding. Boston, MA: Harvard Business School Press.
- Humphreys, A., & Latour, K.A. (2013). Framing the Game: Assessing the Impact of Cultural Representations on Consumer Perceptions of Legitimacy. *Journal of Consumer Research*, 40(4), 16-115.
- Luedicke, M.K., Thompson, C.J., and Giesler, M. (2010).Consumer identity work as moral protagonism: How myth and ideology animate a brand-mediated moral conflict. *Journal of Consumer Research*, 36(6), 1016-1032.

Thompson, C.J., Rindfleisch, A., and Arsel, Z. (2006).Emotional branding and the strategic value of the Doppelgänger brand image. *Journal of Marketing*, 70(1), 50-64.

Turner, B. (1997). Citizenship studies: a general theory. *Citizenship Studies*, 1(1), 5-20.

# Latin America Advances in Consumer Research (Volume 4) / 33

Turner, V. (1988).*The anthropology of performance*. New York: PAJ Publications

Vergine, S. (2014). Fiat vola nel mondo, ma in Italia la produzione è dimezzata. *L'espresso*, October 10<sup>th</sup>, 2014.

# Branded Urban Spaces and Exclusion in Post-Industrial Cities

Rodrigo Castilhos, Unisinos, Brazil

# EXTENDED ABSTRACT

Recent studies on space and place in consumer research analyze how consumers and producers negotiate meanings and ideologies in various spaces, how market actors create spaces for resistance against mainstream markets, and how they temporarily appropriate public spaces through consumption practices. Although conflict and negotiation between multiple stakeholders are more or less explicit in these studies, we still lack thorough empirical accounts of the relations between the production of space and exclusion in consumer research. Previous sociological studies called attention to the exclusionary features of the development model of post-industrial cities, where public- private partnerships privileges the production or revitalization of consumption-oriented spaces that cater to the dispositions and aspirations of elite groups, while actively excluding undesirable others that may undermine the image of such spaces or subtlety displacing vulnerable consumers who can't afford to participate in such consumption- oriented spaces. In most of these studies, however, the mechanisms that lead to exclusion are either relegated in favour of a macro-level analysis of the political and economic conditions behind the emergence of the post-industrial city or concealed by an emphasis in the materiality, progressive transformation, and daily life of specific spaces. To adress the shortcomings in these research streams I analyze the process through which dominant market actors concur to produce urban spaces that cater to the aspirations and ways of life of local elites in the city and how this process intrinsically generates objective and subjective forms of exclusion. To do so, I conducted an extended qualitative study of the implementation of Jardim Europa Neighbourhood in Porto Alegre, south of Brazil. Initially developed by a single firm, JEN's was positioned as the "first planned district" in the city. Drawing on Lefebvre's spatial triad, I distinguish three main elements of in the production of branded urban spaces: architecture and urbanism, brand narrative, and spatial governance. Taken together, architecture and urbanism, brand narrative, and spatial governance contributed to successfully legitimate JEN as an upper-middle-class neighborhood in the city. In doing so, it creates a shared identity among condo residents and also originates a classification that opposes residents and non-residents of the branded space according to the principles of classification of upper-class consumers, marketers, and regulators in alliance. Consumers and marketers alike concur to stigmatize (and criminalize) the behaviors of poor residents from the surroundings, contributing to increasing the fear of the different other. While the condos are the space for well-off, sophisticated people to enjoy pleasurable experiences in complete security along with like-minded neighbors, the outside is the space of the dangerous and uneducated rabble. This process generates exclusion of the lower-classes in at least four intertwined ways: difficulting access to portions of the city, making daily life more expensive, framing their dominated subjectivity, and enhancing the possibility of displacement. This study answers convergent calls for critical spatially grounded research by showing how market-mediated "spatial dynamics may result in processes such as market exclusion, spatial control or the oppression of marginalized groups" (Saatcioglu and Corus 2015, 16).

#### **INTRODUCTION**

Pioneer studies on space and place in consumer research account for the relations between the managed materiality of servicescapes and consumer experiences within a variety retail spaces

(Sherry 1998). These studies show how places materialize market meanings, frame consumers' experiences and are conducive to the creation of bonds between market actors (Castilhos, Dolbec, and Veresiu 2017), paving the ground for more political analyses of the production of space that go beyond the phenomenological accounts of consumer experiences in retail settings. Recent research shows how consumers and producers negotiate meanings and ideologies in market (Maclaran and Brown 2005) and public spaces (Visconti et al. 2010), how market actors create spaces for resistance against mainstream markets (Chatzidakis, Maclaran, and Bradshaw 2012), and how they temporarily appropriate public spaces through domestic consumption practices (Bradford and Sherry 2015). Although conflict and negotiation between multiple stakeholders are more or less explicit in these studies, we still lack thorough empirical accounts of the relations between the production of space and marketplace exclusion in consumer research (Saatcioglu and Ozanne 2013a; Saatcioglu and Corus 2015). To address this shortcoming I ask the following research questions: how dominant market actors concur to produce urban spaces that cater to the aspirations and ways of life of local elites in the city? More important, how this process intrinsically generates objective and subjective forms of exclusion?

To answer these questions, I conducted an extended qualitative study of the implementation of Jardim Europa Neighbourhood –hereafter JEN– in Porto Alegre, south of Brazil. Initially developed by a single firm, JEN's was positioned as the "first planned district" in the city. Consisting of a complex of upscale condominiums encompassing private (highly securitized condominiums) and public (a park and urban infrastructure) spaces, the development is located in an urban frontier, simultaneously close to upscale and lower-class neighborhoods. Through a combination of observation, interviews, and archival data, I unveil a process through which the company, in alliance with regulators and targeted consumers, concur to conceive, represent, and practice (Lefebvre 1991; Soja 1996) a dwelling space that reflects the aspirations of a local elite while actively excluding lowerclass groups that are deemed as undesirable to its brand narrative.

This study adresses convergent calls for critical spatially grounded research (Castilhos, Dolbec, and Veresiu 2017; Saatcioglu and Corus 2015) I show how market- mediated "spatial dynamics may result in processes such as market exclusion, spatial control or the oppression of marginalized groups" (Saatcioglu and Corus 2015, 16).

#### URBAN SPACE AND SPATIAL EXCLUSION

Saatcioglu and Corus (2015) identify two main intertwining mechanisms of spatialized marketplace exclusion in the city. First, marketing practices, and specifically target marketing techniques, contribute to the shaping of market offers according to the characteristics of distinct city areas. For example, retailers tend to locate their businesses in more affluent neighborhoods, which are believed to ensure higher sales revenues and profits (Durvasula, Sharma, and Andrews 1992). Associated with real estate market dynamics, which pushes lower income consumers away from these areas (Lago 2000), this process intensifies objective inequality as poor neighborhoods face limited consumption choices (Üstüner and Holt 2007) and inferior goods and services offerings (Crockett and Wallendorf 2004) for which they end up paying higher prices (Chung and Myers 1999). Second, spaces for consumption such as shopping malls, department stores, and flagship stores seek to create a retail atmospherics that appeals to the sensibilities of targeted middle-class consumers in detriment of those of the lower-classes (Saatcioglu and Corus 2015, 9). Such spaces are intrinsically exclusionary, being "available to those who can afford to be there or who have the proper cultural capital to participate adequately. [...] market spaces are homogeneous spaces, concerned with keeping out unwanted elements that don't fit in the definition constructed by the market space owners." (Castilhos and Dolbec 2017, 10).

Recent studies have called attention to an increasing tendency of the marketization of public spaces (Castilhos and Dolbec 2017), which generates branded urban spaces. To the purpose of my analysis, branded urban spaces are complex spatial entities, comprehending private (shops, residences, and offices) and public (parks, streets, and natural resources) spaces, which are bounded by brand narratives. Such brand narratives can spontaneously emerge from consumers (IIkucan and Sandikci 2005) or be carefully curated by firms and/or city officials (Cooper 1993). Branded urban spaces can also vary in scale, from a park (Zukin 1995) to an entire city (Greenberg 2008; Lucarelli and Berg 2011). Research shows that marketers use places such as flagship stores to materialize brand ideologies as they "construct carefully curated environments" to turn "the symbolic, discursive, normative, regulative, and so on, elements of market systems into palpable, material ones" (Castilhos, Dolbec, and Veresiu 2017, 5). In branded urban spaces this process implies a broader control over public space and much complex negotiation with multiple stakeholders in the city (Müller and Sonnenburg 2013). Although consumer research has showed how consumers and producers negotiate and experience public and market spaces (Bradford and Sherry 2015; Chatzidakis, Maclaran, and Bradshaw 2012; Kozinets et al. 2004; Varman and Belk 2011; Visconti et al. 2010) we still lack a thorough account of how multiple stakeholders, including regulators, coproduce more complex types of urban spaces while actively contributing to generate spatial exclusion of unfited consumer groups in the process.

#### METHOD

I conducted an extended case study of the development of JEN, in Porto Alegre, Brazil (Burawoy 1998). JEN is an extensive private urban development, consisting of a complex of upscale condominiums surrounding a large public park. The development is located on the frontier between upscale, on the West, and lower-class neighbourhoods, including squatter areas, on the East. As a legal compensation for the right to develop in such a big area, the company was obliged to build a public park and to urbanize its surroundings. The park, which is the first gated park in the city, is until today maintained and managed by the company, partially with resources from condominium fees. Along with the amenities of each condominium, the park was one of the main anchors of JEN's value proposition.

I collected three main types of data: first, I interviewed eight developer's employees, one representative of the municipality, the president of the association representing the poor neighborhood dwellers, 20 park users. I also interviewed ten families from the condominiums and ten families from the surrounding areas. Interviews totalized 37 hours of audio recording and 518 pages of transcription; second, I conducted participant observation in the neighborhood, especially at the park; third, I collected archival data, especially from the municipality, the local media, and the developer.

#### FINDINGS

Table 1 provides an overview of my findings. I first identify three key intertwined components that concur to constitute branded space: architecture and urbanism, brand narrative, and spatial governance. I then demonstrate how the resultant branded space dialectically produces physical, symbolic, and social boundaries between richer and poorer residents of the neighbourhood.

Table	e 1: S	ummary	of th	ie Fine	dings
-------	--------	--------	-------	---------	-------

		Dimension	Forms of
		of Space	Exclusion
		(Lefebvre	(of lower
Constituent	Characteristics	1991)	classes)
Architecture	Architectural and material	Material	Difficulting
and	elements at the comunal	and	access; making
Urbanism	(condos) and public level	Imagined	daily life more
	(neighborhood)		expensive;
Brand	Concept of "planned	Imagined	framing
Narrative	district": exclusivity,	and lived	dominated
	convenience, quality of		subjectivity;
	life, and security		increasing
Spatial	Orchestration of	Material	displacement
Governance	stakeholders to control	and lived	
	activities and behaviors in		
	comunal and public spaces		

#### Key Components of JEN as a Branded Space

#### Architecture and Urbanism

Architecture and urbanism relate to the material dimension of space (Lefebvre 1991) as it contributes to order the daily life of residents by assembling and linking private spaces of family exclusivity with communal and public spaces of leisure, consumption, and contemplation to enable access to a self-rewarding, quality-of-lifeoriented lifestyle. It also relates to the imagined dimension of space (Lefebvre 1991) as its materiality constantly and carefully evokes sophistication, cosmopolitanism, and privilege as I show bellow.

At the private level, each of the condominiums was conceived to appeal to specific age cohorts among middle- and upper-middleclass targeted consumers, while the communal level comprises life inside each condominium, which was conceived to be a self-sufficient entertaining and leisure space (Tanulku 2012). JEN condominiums have a broad range of common amenities, such as outdoor and thermal pools, gourmet areas, party saloons, kid's space, fitness center, tennis court, and game rooms among others. To Silvio, a senior sales manager from the developer, such amenities are the most important recent innovation in Brazilian real estate market and became crucial to the commercial realization of condos targeting different fractions of the middle-class. Additionally, they contribute to the development of communal bonds between fellow residents.

Every condominium is also equipped with a full security system that involves a visible architecture of fences and electric fences, (sometimes sealed) security cabins, cameras, double door garage entrance, double door entrance, among others. Besides, gardens, fences, and walls prevent common areas to be seen from the outside, providing what most developer representatives called "privacy" and "safeness" to residents. These security systems, which are widespread in Brazil, effectively isolate insiders from outsiders, reinforcing the communal feelings among self-segregated residents, which tend to privilege sociability inside the walls (Caldeira 1996). *Brand Narrative* 

JEN's brand narrative relate to the imagined dimension of space (Lefebvre 1991) as it assigns meanings and ideals to the built forms of the neighborhood. It also provides the discursive system that links material reality to practices (Arsel and Bean 2013), offering prescriptions and normative cues that orient consumers' spatialized experiences therefore helping to frame the lived dimension of space (Lefebvre 1991).

JEN's brand narrative gravitates around the concept of "planned district", a place that was carefully conceived to offer "sophistica-

#### 36 / Branded Urban Spaces and Exclusion in Post-Industrial Cities

tion, comfort, and unique well- being" to its residents (JEN's website). To the developer, the concept of planned district contrasts with the more spontaneous and unsystematic urban development of the city. Specifically, there are four main dimensions under the umbrella of the concept of "planned district": exclusivity, convenience, quality of life, and security.

First, exclusivity consists of a sharp distinction between JEN's "concept" and the alleged lack of planning of other upscale areas, which makes the development a unique dwelling option in the city. Such characteristic is conveyed to prospect consumers through the emotional language of advertising and the more rational sales pitches of real estate agents. Websites and brochures constantly deploy terms such as "taste," "sophistication," and "style" to distinct JEN's condos from traditional offers in the city. Here, the usual real estate advertising practice of creating an abstract, idealized space and distancing it from the actual and less charming daily life (Collins and Kearns 2008; Perkins, Thorns, and Newton 2008) is emphasized.

JEN's brand narrative extrapolates the boundaries of the condominiums and deliberately incorporates public spaces into it (Sieber 1993; Castilhos and Dolbec 2017). As the advertisings suggest and the real estate agents confirm, the park is a core element of this appropriation, especially to the dimension of exclusivity. Moreover, the developer also carefully incorporates the positive features of the location into JEN's brand narrative through the notion of convenience, which refers to the valorization of easy access to services and experiences afforded JEN's "privileged" location. This requires a simultaneous association to the affluent surroundings and a denial and isolation from the poor ones to hide the proximity to undesirable others (Low 2003; Tanulku 2012). Advertising, in this case, constructs a relative notion of geographic proximity, complementing the spatial orientation of the neighborhood urbanization, whose condos form a semi-circle open towards the most affluent areas at West.

Quality of life is the third dimension of JEN's brand narrative. It echoes the dispositions of middle-classes throughout the world, particularly in Brazil, for dwelling spaces that provide privatized alternatives of leisure, sports, and family life (Caldeira 1996; Low 2003; Le Goix 2005; Goix and Webster 2008). In the specific case of JEN, it concerns the explicit association between private condominium amenities and the public park with increasing access to a relaxing, healthy, pleasant, and self-rewarding life. *Vitra's* –the last and most premium condo released by the developer– print brochure exemplifies such construction. It presents the condominium as "a place conceived for you to enjoy only the bright side of life", depicting the park as a safe option to enjoy public space and contemplate nature.

Security, the last dimension of JEN's brand narrative, concerns the representation of the neighborhood as a "safe" place to enjoy life. The offer of securitized spaces in gated communities and condos meets the socially constructed fears of urban violence and crime of middle-classes in Brazil (Caldeira 1996; Caldeira 2000; Lago 2000) and around the world (Salcedo and Torres 2004; Bagaeen and Uduku 2008; Roitman and Phelps 2011; Tanulku 2012; Cséfalvay and Webster 2012; Zwick and Ozalp 2012; Rosen and Walks 2013). As real estate agent Maria testifies, "today, there is this anxiety for security that we didn't see so present earlier on." At JEN, security devices such as "24-hour security concierge", "closed-circuit security cameras," "gated park" are advertised as enablers of the realization of the other dimensions of JEN's brand narrative, especially quality of life. That is, such devices allegedly allow residents to safely enjoy leisure and family life in and outside their condominiums.

#### Spatial Governance

Studies on condominium and gated communities emphasize that such dwelling forms create mechanisms of internal governance through condo boards and associations. Such mechanisms produce and enforce consensual rules of conduct (Castilhos and Dolbec 2017) aiming at normalizing behaviors and amenity uses, providing patrimonial maintenance, reassuring isolation from the outside via integration between security systems and residents' conduct, and, importantly, creating a sense of community among unit residents. As such, spatial governance in these residential arrangements concurs to establish a link between the dimensions of material and lived space (Lefebvre 1991) to fully realize imagined space.

At the communal level, JEN's spatial governance resembles those of documented gated communities and condos throughout the world. In JEN's case, each condominium has its own administration that usually adopts a similar model, having a professional manager as the main responsible for the daily operation of the condo. Her/his responsibility is to "make sure that everything is working for the resident" (Claudia, condo manager). However, as I showed above, the full realization of JEN's brand narrative requires a broader control over public spaces. To do so, the developer conceived a system of public governance that involves a network of stakeholders. The system was born in the first years of development with the clear goal of managing potential threats to JEN's value proposition that could arise due to the proximity with the popular surroundings. To sum up, the residents associations (an institution created and maintained by the developer) centralizes JEN's spatial governance of the public level. It relates to the condominiums through their syndics and managers. It also develops effective channels of communication and lobby with public services and authorities, directly manages the neighborhood's private security system, and supervises the park administration. I identified three main dimensions of the influence of spatial governance on public space: enforcement of acceptable behaviors, materialization of reassuring elements, and dematerialization of undermining elements.

First, JEN's brand narrative produces an idealized imagined space that is in consonance with the dispositions and aspirations of Brazilian middle- and upper- middle-classes. As in other instances of class interaction in Brazil (Freeman 2002; Pinheiro-Machado 2014), the stereotyped looks and noisy behaviors of the lower- classes causes an embodied feeling of unease and danger among different fractions of established middle-classes. Knowledgeable of its target market, the developer anticipated such concerns and conceived a complex security system that involves a "ground control base [that] is linked via radio to the condos' security concierge and the park management [and] two cars to patrol the area." (Karl, residents association's president). At first, the developer's alleged main concern was with the possibility of drug traffic, robbery, and potential gang fights at the park during the weekends. Although it is supposed to be discrete, most of my informants' acknowledge their existence. Especially the younger ones from the squatter areas complain that security guards are always with their eyes on them and that they "can't do anything" at the Park (Jaderson, surrounding resident). JEN's managers were proud to have a close connection with the state police so they can assure a close response if anything goes wrong at the park.

Second, spatial governance also seeks to materialize targeted consumers' dispositions through the addition of valued amenities, physical, and symbolic features to the public areas. Such interventions at public space are made in alliance with public authority. The main example of the ability of JEN's spatial governance to represent residents' interests to the public authority to materialize their dispositions and aspirations comes from a successful campaign to change the name of the district. According to the president of the residents association, "the demand departed from the residents four years ago [2008]. So, we collected about 900 signatures, and we took to our [close] city councilman, but another councilman vetoed it because

he thought this was something driven by the developer, who wanted the valorization of the condos. It was not, but the thing didn't progress. But now [2012] there is a new opportunity [official revision of district limits], and we came back." In December of 2015, the city council finally approved the bylaw of the new district limits, which made *Jardim Europa* official. The limits of the new district comprise exactly the complex of allotments, encompassing very few squatter areas, which are under contention and some of which were recently bought by the residents to give place to another luxury condominium. For the first time in the history of the city, a branded space became an official district of the city, clearly distinguishing from the immediate surroundings.

Last, spatial governance also seeks to mobilize stakeholders to dematerialize undermining elements to JEN's brand narrative. During the building of one of the condos, the developer company approached the representatives of a popular apartment building at its side and successfully proposed to paint the building's façade if they agreed to take off the external cloth hangers, which gave a lowerclass aspect to the building. In a compelling case, one of the condominiums mobilized to remove a skate track located in a square at the back of the condo, which was "bringing a lot of trouble [because of] the skates' noise (condo manager). Following condo dwellers' petition, the residents association requested to public authorities that the track be removed. Condo managers and developer representatives told me that they promised to build an open gym at the place and another track further away in trade for its removal. The skate track was eventually removed in 2014, and so far neither the open air gym nor the newly located skate track was built.

Taken together, architecture and urbanism, brand narrative, and spatial governance contributed to successfully legitimate JEN as an upper-middle-class neighborhood in the city. In doing so, it creates a shared identity among condo residents and also originates a classification that opposes residents and non-residents of the branded space according to the principles of classification of upper-class consumers, marketers, and regulators in alliance. Consumers and marketers alike concur to stigmatize (and criminalize) the behaviors of poor residents from the surroundings, contributing to increasing the fear of the different other. While the condos are the space for well-off, sophisticated people to enjoy pleasurable experiences in complete security along with like-minded neighbors, the outside is the space of the dangerous and uneducated rabble. This process generates exclusion of the lowerclasses in at least four intertwined ways: difficulting access to portions of the city, making daily life more expensive, framing their dominated subjectivity, and enhancing the possibility of displacement.

#### DISCUSSION AND CONCLUSION

Previous studies called attention to the exclusionary features of the development model of post-industrial cities, where publicprivate partnerships privileges the production or revitalization of consumption-oriented spaces that cater to the dispositions and aspirations of elite groups occupying central positions in consumption fields (Harvey 1989; Miles 2012; Saatcioglu and Ozanne 2013a), while actively excluding undesirable others that may undermine the image of such spaces (Sieber 1993; Zukin 2010) or subtlety displacing vulnerable consumers who can't afford to participate in such consumption-oriented spaces (Atkinson 2000; Palen and London 1984). In most of these studies, however, the mechanisms that lead to exclusion are either relegated in favour of a macro-level analysis of the political and economic conditions behind the emergence of the post-industrial city (e.g. Harvey 1989) or analytically concealed by the very description of the materiality (e.g. Sieber 1993), progressive transformation (e.g. Ilkucan and Sandikci 2005), and daily dynamics

#### Latin America Advances in Consumer Research (Volume 4) / 37

of specific spaces (e.g. Zukin 2010). My analysis of JEN shows how spatial exclusion is performed processually through the very micropractices of producers, consumers, and regulators in alliance. Far from a self-fulfilled economic prophecy, displacement of undermining consumers is produced through a carefully managed process that stigmatizes, shatters spatial references, and makes the daily life of such groups less practical in the presence of the affluent neighbors. Rather than benefiting from the arrival of new services and public equipment, proximity with affluence becomes a real threat to these consumers' modes of life and territorial references.

Branded urban spaces add a new layer of complexity to the exclusionary inclinations of the production of space in the city. While self-segregating spaces such as gated communities create a sharp division between insiders and outsiders, making exclusion explicit, branded urban spaces colonize public spaces, gradually monopolizing the spatial narrative and imposing the realm of acceptable behaviors to scale up the type of sanitized, safe, and ordered experience once limited to these former bounded spaces, which makes exclusion more subtle, hence harder to resist, but no less inexorable.

- Arsel, Zeynep, and Jonathan Bean. 2013. "Taste Regimes and Market-Mediated Practice." *Journal of Consumer Research* 39 (5): 899–917
- Atkinson, Rowland. 2000. "The Hidden Costs of Gentrification: Displacement in
- Central London." Journal of Housing and the Built Environment 15 (4): 307–26. Bagaeen, Samer, and Ola Uduku. 2008. Gated Communities: Social Sustainability in
- Contemporary and Historical Gated Developments. Geographic Compass. Vol. 2. London: Earthscan.
- Bradford, T. W., and J. F. Sherry. 2015. "Domesticating Public Space through Ritual: Tailgating as Vestaval." *Journal of Consumer Research* 42 (1): 130–51.
- Burawoy, Michael. 1998. "The Extended Case Method." Sociological Theory 16 (1): 4–33.
- Caldeira, Teresa Pires do Rio. 1996. "Fortified Enclaves: The New Urban Segregation." *Public Culture* 8: 303–28.
  - ——. 2000. Cidade de Muros: Crime, Segregação e Cidadania Em São Paulo. São Paulo: EDUSP.
- Castilhos, R. B., Pierre-Yann Dolbec. 2017. "Conceptualizing spatial types: characteristics, transitions, and research avenues" *Marketing Theory* (forthcoming).
- Castilhos, R. B., P.-Y. Dolbec, and E. Veresiu. 2017. "Introducing a Spatial Perspective to Analyze Market Dynamics." *Marketing Theory* 17 (1): 1–21.
- Chatzidakis, Andreas, Pauline Maclaran, and Alan Bradshaw. 2012.
  "Heterotopian Space and the Utopics of Ethical and Green Consumption." *Journal of Marketing Management* 28 (2–3): 37–41.
- Chung, Chanjin, and Samuel L. Myers. 1999. "Do the Poor Pay More for Food? An Analysis of Grocery Store Availability and Food Price Disparities." *Journal of Consumer Affairs* 33 (2): 276–96.
- Collins, Damian, and Robin Kearns. 2008. "Uninterrupted Views: Real-Estate Advertising and Changing Perspectives on Coastal Property in New Zealand." *Environment and Planning A* 40 (12): 2914–32.
- Cooper, Mattew. 1993. "Access to the Waterfront: Transformations of Meaning on the Toronto Lakeshore." In *The Cultural Meaning of Urban Space*, edited by Gary Wray Rotenberg, Robert Louis; McDonogh. Toronto: Abc-clio.

#### 38 / Branded Urban Spaces and Exclusion in Post-Industrial Cities

Crockett, David, and Melanie Wallendorf. 2004. "The Role of Normative Political Ideology in Consumer Behavior." *Journal* of Consumer Research 31 (3): 511–28.

Cséfalvay, Zontán, and Chris Webster. 2012. "Gates or No Gates? A Cross-European Enquiry into the Driving Forces behind Gated Communities." *Regional Studies* 46 (March): 293–308.

Diamond, Nina, John F. Sherry Jr, Albert M Muñiz Jr, Mary Ann Mcgrath, Robert V Kozinets, and Stefania Borghini. 2009.
"American Girl and the Brand Gestalt: Closing the Loop on Sociocultural." *Journal of Marketing* 73 (3): 118–34.

Durvasula, Srinivas, Subhash Sharma, and J. Craig Andrews. 1992. "STORELOC: A Retail Store Location Model Based on Managerial Judgments." *Journal of Retailing* 68 (4).

Freeman, James. 2002. "Democracy and Danger on the Beach: Class Relations in the Public Space of Rio de Janeiro." *Space and Culture* 5 (1): 9–28.

Greenberg, M. 2008. Branding New York: How the City in Crisis Was Sold to the World. New York: Routledge.

Harvey, David. 1989. "From Managerialism to Entrepreneurialism: The Transformation in Urban Governance in Late Capitalism." *Geografiska Annaler*. Series B, Human Geography 71 (1): 3–17.

Ilkucan, Altan, and Özlem Sandikci. 2005. "Gentrification and Consumption: An Exploratory Study." In *Advances in Consumer Research*, 474–79.

Kozinets, Robert V, John F. Sherry Jr, Diana Storm, Adam Duhachek, Krittinee Nuttavuthisit, and Benét Deberry Spence. 2004. "Ludic Agency and Retail Spectacle." *Journal of Consumer Research* 31 (3): 658–72.

Lago, Luciana Corrêa do. 2000. *Desigualdades e Segregação Na Metrópole: O Rio de Janeiro Em Tempo de Crise*. Rio de Janeiro: Revan: Fase.

Le Goix, Renaud. 2005. "Gated Communities: Sprawl and Social Segregation in Southern California." *Housing Studies* 20 (2): 323–43.

Lefebvre, Henri. 1991. *The Production of Space*. Oxford: Blackwell.

Low, Setha M. 2001. "The Edge and the Center: Gated Communities and the Discourse of Urban Fear." *American Anthropologist* 103 (1): 45–58.

——. 2003. Behind the Gates: Life, Security, and the Pursuit of Happiness in Fortress America. New York: Routledge.

Lucarelli, Andrea, and Per Olof Berg. 2011. "City Branding: A State-of-the-Art Review of the Research Domain." *Journal of Place Management and Development* 4 (1): 9–27.

Maclaran, Pauline, and Stephen W Brown. 2005. "The Center Cannot Hold: Consuming the Utopian Marketplace." *Journal* of Consumer Research 32 (2): 311–23.

McDonogh, G. 1993. "The Geography of Emptiness." In *The Cultural Meaning of Urban Space*, edited by Gary Wray Rotenberg, Robert Louis; McDonogh. Toronto: Abc-clio.

Miles, Steven. 2012. "The Neoliberal City and the pro-Active Complicity of the Citzen Consumer." *Journal of Consumer Culture* 12 (2): 216–30.

Müller, Andreas P., and Stephan Sonnenburg. 2013. *Branded Spaces: Experience Enactments and Entanglements*. Springer Fachmedien Wiesbaden.

Perkins, Harvey C, David C Thorns, and Bronwyn M Newton.
2008. "Real Estate Advertising and Intraurban Place Meaning: Real Estate Sales Consultants at Work." *Environment and Planning A* 40 (9): 2061–79. Pinheiro-Machado, Rosana. 2014. "Rolezinhos': Youth and Segregation in Brazil." *Debating Development: A Conversational Blog from Researchers at the Oxford Department of International Development.* 

Roitman, S., and N. Phelps. 2011. "Do Gates Negate the City? Gated Communities' Contribution to the Urbanisation of Suburbia in Pilar, Argentina." Urban Studies 48 (16): 3487–3509.

Rosen, Gillad, and Alan Walks. 2013. "Rising Cities: Condominium Development and the Private Transformation of the Metropolis." *Geoforum* 49: 160–72.

Saatcioglu, Bige, and Canan Corus. 2015. "Exploring Spatial Vulnerability: Inequality and Agency Formulations in Social Space." *Journal of Marketing Management* 32 (3–4): 230–51.

Saatcioglu, Bige, and Julie L Ozanne. 2013a. "A Critical Spatial Approach to

Marketplace Exclusion and Inclusion." Journal of Public Policy & Marketing 32 (Special Issue): 32–37.

Saatcioglu, Bige, and Julie L. Ozanne. 2013b. "Moral Habitus and Status Negotiation in a Marginalized Working-Class Neighborhood." *Journal of Consumer Research* 40 (4): 692–710.

Salcedo, Rodrigo, and Alvaro Torres. 2004. "Gated Communities in Santiago: Wall or Frontier?" *Journal of Urban and Regional Research* 28 (1): 27–44.

Sassen, Saskia. 2012. Cities in a World Economy. Sociology for a New Century Series. Los Angeles: SAGE Publications.

Sherry, John F. 1998. Servicescapes: The Concept of Place in Contemporary Markets, edited by John F. Sherry. Lincolnwood, IL: NTC Business Books.

Sieber, Timothy. 1993. "Public Access on the Urban Waterfront: A Question of Vision." In *The Cultural Meaning of Urban Space*, edited by Gary Wray Rotenberg, Robert Louis; McDonogh. Toronto: Abc-clio.

Smith, Neil. 2007. "Gentrificação, a Fronteira E a Reestruturração Do Espaço Urbano." GEOUSP - Espaço E Tempo, 21: 15–31.

Soja, Edward W. 1996. *Thirdspace: Journeys to Los Angeles and Other Real-and- Imagined Places*. Oxford, UK: Blackwell.

Tanulku, Basak. 2012. "Gated Communities: From 'Self-Sufficient Towns' to 'Active Urban Agents." Geoforum 43 (3): 518–28.

Üstüner, Tuba, and Douglas B Holt. 2007. "Dominated Consumer Acculturation: The Social Construction of Poor Migrant Women's Squatter." *Journal of Consumer Research* 34 (June): 41–56.

Varman, Rohit, and Russel Belk. 2011. "Consuming Postcolonial Shopping Malls." *Journal of Marketing Management* 28 (1–2): 62–84.

Visconti, Luca M., John F. Sherry Jr., Stefania Borghini, and Laurel Anderson. 2010. "Street Art, Sweet Art? Reclaiming the 'Public' in Public Place." *Journal of Consumer Research* 37 (3): 511–29.

Zukin, Sharon. 1995. The Cultures of Cities. Malden, Mass and Oxford. UK: Blackwell Publishers. Oxford: Blackwell.

. 2010. "Union Square and the paradox of public space." In: Zukin, Sharon.

2010. Naked City: The Death and Life of Authentic Urban Places. Oxford, UK: Oxford University Press.

Zwick, Detlev, and Yesim Ozalp. 2012. "Flipping the Neighborhood: Biopolitical Marketing as Value Creation for Condos and Lofts." In Inside Marketing: Practices, Ideologies, Devices, edited by Detlev Zwick and J. Cayla. New York: Oxford University Press.

# Small but Moral: The impact of Firm Size and Gratitude on the Effectiveness of Cause-Marketing Campaigns

Eline de Vries, University Carlos III Madrid, Spain Lola Duque, University Carlos III Madrid, Spain Laura Rodriguez-Solis, University Carlos III Madrid, Spain

# EXTENDED ABSTRACT

Companies are increasingly forced to respond to various morality concerns of consumers and stakeholders to "do good" and behave ethically. Our study focuses on a specific method to do good, known as Cause-Marketing (CM). CM consists of "marketing activities that are characterized by an offer from the firm to contribute a specified amount to a designated philanthropic cause" (Varadarajan & Menon, 1988, p. 60). CM both enables consumers to contribute to a cause while the firm acts morally and gains profit (Pracejus & Olsen, 2004).

CM seems a promising marketing strategy (Nielsen 2015). But is it effective irrespective of firm size? And what role do feelings of gratitude play? The great majority of CM research has focused on big firms (File & Prince, 1998; Lepoutre & Heene, 2006), producing little insight into the effectiveness of CM campaigns for smaller firms. This gap in knowledge is particularly relevant as the proportion of firms that is small lies around 99% across Europe and the United States (European Commission, 2015; Grover & Suominen, 2014). And even more important, research into the affective response of consumers to CM campaigns is lacking. The current research addresses both issues.

#### THEORETICAL BACKGROUND

Research has shown that small firms are perceived as more authentic (Kovacs, Carroll, & Lehman, 2013) and less likely than big firms to create unfounded perceptions of high involvement in ethical initiatives (Baumann-Pauly et al., 2013). We build on these authors' notions and propose that it is the way small firms are morally perceived that makes CM campaigns particularly effective for small compared to big organizations.

An obvious shortcoming of small compared to big businesses is the more limited cash budgets and access to external financial resources. This implies that, even if small businesses may want to engage in CM campaigns to support a philanthropic cause, they may need to dedicate their capital to more immediate needs.

Another shortcoming for small firms is their lack of visibility. When spending time and effort on social causes, they should relatively heavily invest in marketing expenditures to make consumers aware of their campaign. This means a further increase in costs for small firms, required to capitalize on their responsible actions (Spence, Jeurissen, & Rutherfoord, 2000).

Taking these arguments together, we hypothesize that small firms, disadvantaged compared to big firms in terms of financial and human resources necessary to engage in charitable donations, are perceived as doing a bigger effort and hence are perceived as more moral once they *do* contribute to a worthy cause. More specifically, we posit that consumers will infer from the company's perceived effort put into contributing to a cause, the company's marketplace morality (Morales 2005). With higher levels of effort perceived as more sincere and trustworthy, signaling a real societal concern and genuine intention to support the cause.

We further argue that the perceived marketplace morality of a firm engaging in CM is particularly relevant for CM effectiveness, as consumers who are skeptical about the company's underlying motives to engage in the charitable behavior, will not experience feelings of gratitude, and so will not feel motivated to reciprocate the company for its efforts (McCullough et al., 2001; Morales, 2005).

Feelings of gratitude have been defined as a "positive emotion that typically flows from the perception that one has benefited from the costly, intentional, voluntary action of another person" (Mccullough, Kimeldorf, & Cohen, 2008, p. 4). They motivate to behave pro-socially towards the benefactor (McCullough et al., 2001).

Feelings of gratitude arise even if consumers do not directly or tangibly benefit from the action (Fredrickson, 2004). Within the context of CM campaigns, the tangible benefit goes to the philanthropic cause. But on top of the firm's contribution to the cause, consumers may be grateful towards companies engaging in CM campaigns as buying their products provides a way to contribute to the cause themselves and to satisfy their own social goals (Romani, Grappi, & Bagozzi, 2013).

Our reasoning implies that, if we are right that smaller firms engaging in CM are perceived as doing a bigger effort than larger firms, and hence are perceived as more moral, consumers will experience stronger feelings of gratitude towards small firms engaging in CM and hence are more likely to reciprocate by purchasing the CM-promoted product, translating into greater CM effectiveness for small compared to larger firms.

#### METHODS, RESULTS AND DISCUSSION

In Experiment 1 we examined the impact of firm size (small/ big) on CM effectiveness (purchase intention of CM-promoted product) and the role of perceived marketplace morality, in a scenario study describing a CM initiative.

Regression analyses showed a higher purchase intention with smaller firms, and higher perceived marketplace morality with smaller firms. A mediation analysis (Hayes, 2013) confirmed that the influence of firm size on purchase intention is mediated by perceived marketplace morality. These findings (see Table 1) directly support our hypotheses that the effectiveness of CM may be higher for small than for big firms, as small firms enjoy higher perceptions of marketplace morality.

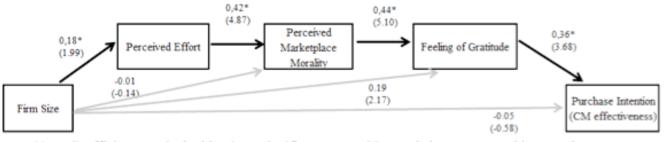
In Experiment 2 we delved deeper into the underlying reasons. Participants got the same scenario as in Experiment 1. We expected and found that the effect of firm size (small/big) on CM effectiveness (purchase intention) is first mediated by perceived effort, then by perceived marketplace morality and then by feelings of gratitude (Model 6, Hayes 2013; see Figure 1). These results confirm our hypotheses. Compared to big firms, small firms engaging in CM are perceived as doing a bigger effort and hence score higher on perceived marketplace morality. As a result of these morality perceptions, consumers experience stronger feelings of gratitude towards small firms engaging in CM, translating into greater purchase intentions of CM-promoted products of small compared to big firms.

In conclusion, the current research is of academic and managerial relevance by being the first that examines the impact of firm size on CM effectiveness, identifying the important role of gratitude that consumers feel towards small firms for providing a charitable donation opportunity. 40 / Small but Moral: The impact of Firm Size and Gratitude on the Effectiveness of Cause-Marketing Campaigns

DV	IV <sub>1</sub>	$\boldsymbol{B}_1$	$df_1$	$t_1$	<b>p</b> <sub>1</sub>	IV <sub>2</sub>	$B_{2}$	$df_2$	$t_2$	<b>p</b> <sub>2</sub>
Purchase intention	Firm size (0 = big / 1 = small)	3.40	186	2.05	0.04	-				
Perceived marketplace morality	Firm size (0 = big / 1 = small)	0.70	186	4.70	<0.0001	-				
Purchase intention	Firm size $(0 = big / $	0.13	185	0.85	0.57	Perceived marketplace	0.47 e	185	4.49	< 0.001

morality

**Table 1. Results Regression Analyses Experiment 1** 



Note. Coefficients marked with a \* are significant at p < .05. t-statistics are reported in parentheses.

Figure 1. Results Multiple-Mediation Analysis Experiment 2

#### REFERENCES

Baumann-Pauly, D., Wickert, C., Spence, L. J., & Scherer, A. G. (2013). Organizing Corporate Social Responsibility in Small and Large Firms: Size Matters. *Journal of Business Ethics*, *115*, 693–705.

1 = small

- European Commission (2015). European SMEs Starting Hiring Again. Research Report.
- File, K. M., & Prince, R. A. (1998). Cause Related Marketing and Corporate Philanthropy in the Privately Held Enterprise. *Journal of Business Ethics*, 17(14), 1529–1539.
- Fredrickson, B. L. (2004). Gratitude, like other Positive Emotions, Broadens and Builds. In R. A. Emmons & M. E. McCullough (Eds.), *The Psychology of Gratitude* (pp. 145–166). Oxford: Oxford University Press.
- Grover, A., & Suominen, K. (2014). 2014 Summary State of SME Finance in the United States. *TradeUp*, (January), 1–38. Retrieved from: http://www.growadvisors.com/ uploads/2/7/9/9/27998715/state\_of\_sme\_finance\_in\_the\_ united states -tradeup 2014.pdf
- Hayes, A. F. (2013). Introduction to Mediation, Moderation, and Conditional Process Aanalysis: A Regression-Based Approach. New York, NY: The Guilford Press.
- Kovacs, B., Carroll, G. R., & Lehman, D. W. (2013). Authenticity and Consumer Value ratings: Empirical Tests from Restuarant Domain. Organization Science, 25(2), 458–78.
- Lepoutre, J., & Heene, A. (2006). Investigating the Impact of Firm Size on Small Business Social Responsibility: A Critical Review. *Journal of Business Ethics*, 67(3), 257–273.
- McCullough, M. E., Kilpatrick, S. D., Emmons, R. A., & Larson, D. B. (2001). Is Gratitude a Moral Affect? *Psychological Bulletin*, 127(2), 249–266.

- Mccullough, M. E., Kimeldorf, M. B., & Cohen, A. D. (2008). An Adaptation for Altruism? *Current Directions in Psychological Science*, 17(4), 281–285.
- Morales, A. C. (2005). Giving Firms an "E" for Effort: Consumer Responses to High-Effort Firms. *Journal of Consumer Research*, 31(4), 806–812.
- Nielsen (2015). The Sustainability Imperative: new Insights on Consumer Expectations. Global Sustainability Report. Retrieved from: http://www.nielsen.com/content/dam/ nielsenglobal/dk/docs/global-sustainability-report-oct-2015. pdf
- Pracejus, J. W., & Olsen, G. D. (2004). The Role of Brand-Cause Fit in the Effectiveness of Cause-Related Marketing Campaigns. *Journal of Business Research*, 57(6), 635–640.
- Romani, S., Grappi, S., & Bagozzi, R. P. (2013). Explaining Consumer Reactions to Corporate Social Responsibility: The Role of Gratitude and Altruistic Values. *Journal of Business Ethics*, 114(2), 193–206.
- Spence, L. J., Jeurissen, R., & Rutherfoord, R. (2000). Small Business and the Environment in the UK and the Netherlands: Toward Stakeholder Cooperation. *Business Ethics Quarterly*, 10(4), 945–965.
- Varadarajan, P. R., & Menon, A. (1988). Cause-Related Marketing: A Coalignment of Marketing Strategy and Corporate Philanthropy. *Journal of Marketing*, 52(3), 58–74.

# Achieving Resonance in Liquid Consumption via Deceleration on the Camino de Santiago

Giana M. Eckhardt, Royal Holloway University of London, UK Katharina C. Husemann, Royal Holloway University of London, UK

#### **EXTENDED ABSTRACT**

Based on ethnographic data from the Camino de Santiago pilgrimage in Spain, we find a pilgrimage is an oasis of deceleration, with deceleration happening in three ways: embodied, technological and episodic. This allows consumers to experience meaningful relationships to themselves, to others, to materiality, to the environment, and to the sacred.

Drawing from Rosa's (2013) theory of social acceleration that argues that one key reason for loss and instability of relationships in modern Western society is the speed underlying people's individual daily life and broader social transformations, we explore the role of deceleration in consumers' efforts to deal with the challenges in liquid consumption (Bardhi and Eckhardt 2017). On an individual level, people can seek out territorial and social niches that resist forces of acceleration and that allow people a slower experience of time. Rosa (2013) calls these spaces oases of deceleration.

We study the nature of consumption along the Camino de Santiago pilgrimage route. We find that consumers decelerate on three dimensions: embodied, technological and episodic. This deceleration, rather than solidifying consumption practice, allows them to experience "resonating relationships" to themselves, to others, to materiality, to nature, and to the sacred - relationships which are strong and meaningful to them (Rosa et al. 2016) and that have been identified as being more difficult to achieve in liquid consumption.

We take an ethnographic approach to understanding how consumers experience the Camino de Santiago (Scott, Cayla and Cova 2017). We conducted interviews with pilgrims, walked the pilgrimage ourselves (the Portuguese route), kept extensive fieldnotes, took photos, and engaged in a wide variety of informal conversations.

On the Camino pilgrims experience a decelerated reality that is in stark contrast to their busy, stressful, speeded up everyday life. The phrase "It's not a race, it's a reset" (Josh) are typical sayings that pilgrims keep telling each other on the Camino. These mantras remind pilgrims that 'speed' is not a criterion that defines a successful pilgrimage (compared to everyday life where speed is valued). Instead pilgrimage is about slowing down, and finding your own pace and rhythm. Thus, pilgrims create oases of deceleration, which they do on three different dimensions: embodied, technological and episodic (see Table 1).

In decelerated liquidity, pilgrims are able to experience meaningful relationships that Rosa (2016 et al., 15) calls "resonating" or "responsive". Building up meaningful relationships poses difficulties in an accelerated society. Pilgrims on the Camino de Santiago, however, are able to form resonating relationships to the self, the others, to materiality, to the environment and to the sacred (see Table 1).

This study contributes to consumer research by highlighting the role of pace and speed in managing the challenges of liquid consumption. Rosa (2013) has identified social acceleration as the defining aspect of contemporary consumer culture, yet no one has explored how consumers experience or manage this until now.

#### REFERENCES

- Bardhi, Fleura and Giana Eckhardt (forthcoming), "Liquid Consumption," Journal of Consumer Research.
- Rosa, Hartmut (2013), Social Acceleration: A New theory of Modernity, New York: Columbia University Press.
- Rosa, Hartmut, Klaus Dörre, and Stephan Lessenich (2016),
  "Appropriation, Activation and Acceleration: The Escalatory Logics of Capitalist Modernity and the Crises of Dynamic Stabilization," *Theory, Culture & Society*, 0(0) 1–21.

Scott, Rebecca, Julien M. Cayla, and Bernard Cova (forthcoming), "Selling Pain to the Saturated Self," *Journal of Consumer Research.* 

	ladie 1 – Data
Deceleration	Dangan aller I shink malling al J J
Embodied	Personally I think walking slows you down and gives you
	more time to reflect as you're walking along like this,
	rather than rushing [] I think there is a certain rhythm with walking that you need. 'Cause when I think of it as
	a Christian, I think of how Jesus lived his life. [] He
	would visit a town or a village, but he would spend a lot
	of time walking between the two. And there would have
	been time to reflect and talk and so on. (Nathan)
Technological	I had a phone call from my daughter and I should not
recimorogicar	have taken that phone call. Because with emails and
	with a blog, okay, you can choose when and how much
	you can respond. Much harder to do that with a phone
	call [] The phone call put me right back into that
	mindset [he refers to his responsibilities waiting at
	home]. And it took me 3 quarters of the rest of that day
	to get back into that [pilgrimage] mindset again [] So
	I should not have taken the phone call. [] Email's fine
	because you can choose. But not a phone call. (Josh).
Episodic	It's a simple life. Fairly routine [] Only 3 or 4
	decisions that you need to make. Nice simple one. []
	I think that's one of the big attractions of the Camino
	that many people like just that simple life. [] [You
	decide] where you're gonna finish, what you're gonna
	have for breakfast. And where you're going to sleep
	and what you're gonna have for dinner that night.
	That's about it. (Josh)
Resonance To the self	And the thing that weally analys to measure fandlauhat
to the self	And the thing that really spoke to me was, [and] what was more important, not so much getting here, but
	it was about the journey. And in effect, the journey
	continues internally. (Nathan)
To others	The thing that really spoke to me was investing in
	relationships, both friendships and family. That really
	is powerful. [] one of the things that makes Camino
	so special, are the relationships that you form on the
	route. [] I think these last 5 days [] have been very
	profound. I can think of several sort of meetings with
	people that have been really special. And how we've
	sort of connected. You feel you're really connecting at
	a deeper level.[](Luis)
To materiality	Nico also showed me his passports with all the stamps.
	He is very proud of this and he perceives this as a very
	good souvenir. He did not only collect stamps from the
	villages but also from the hotels and restaurants he
	has been to. One stamp is missing unfortunately. That
	happened in Porto. But Nico left a space in this passport
	for this stamp. Since he is going back to Porto anyway and wants to ask to get it then. (Excerpt from field notes
	relating to the importance of the pilgrimage passport)
To the	There's something magic in the air. Nature. [] This is
environment	beautiful, walking in the nature. You are hearing, birds,
	they are singing, that's beautiful. [] They give me
	peace. Sounds of nature give me peace, [peace] to my
	mind. (Piedro)
To the sacred	I'm Catholic [] When I walk, I speak with Him in
	silence. In every [day life] we are not prepared to see
	Him. [] On the Camino you see Him, every step you
	see Him. He's always looking for you. (Piedro)

# **Technology Readiness and E-Loyalty in B2C E-Commerce**

Pedro Julián Ramírez-Angulo, Universidad Autónoma de Occidente, Colombia Edison Jair Duque-Oliva, Universidad Nacional de Colombia, Colombia

#### EXTENDED ABSTRACT

On the frame of "Information Society, E-commerce has become a strong technology that has modified buying and consumption habits of people (Castells, 1996; d'Alòs-Moner & Ferran, 2001). E-commerce is a widely treated research field because it supposes many changes that impact the social, material and personal worlds. (Habermas, 1987).

Nevertheless, E-commerce also has introduced some variations in infrastructure, culture and in traditional business models. Particularly, in B2C E-commerce (Business-to-customer) this changes has generated changes on people conducts around transactions, which has been conducted to develop more strength marketing relationships, based on mutual confidence between business and customers, new communication channels and detailed analysis and interactions beyond of simple buying (Frasquet Deltoro, Mollá Descals, & Eugenia Ruiz Molina, 2012).

E-commerce has been exposed also to negative implications. Security issues related with e-commerce technologies and people willingness to use and pay with electronic methods emerge as potential threats (Rodríguez, 2003). Uzoka, Shemi & Seleka (2007) shows a list of potential problems that restrict the adequate development of e-commerce initiatives. In this list some aspects are highlighted, as risk perception, transactional distrust, customer potential frustration to acquire an undesired product and people's slow technology adoption depending of demographical aspects. Authors as Rodríguez (2003), Reichheld & Schefter, (2000), Teo (2002) and Swinyard & Smith (2003) adds to this list other aspects as insecurity perceptions, inertia and loyalty to traditional channels and lack of human interaction.

In this way, relationship between people and e-commerce technologies represents important challenges. This research is focused to analyze key aspects related with people willingness to use internet for commercial transactions. Based on this, two variables emerge for understand in a better way why people develop resistance to ecommerce. First, Technology Readiness (TR) emerges as a variable related with people's propensity to use technology-based products (Parasuraman, 2000). But, what is the effect of TR on buying and consumption process associated to e-commerce?. In second place, E-loyalty appears as a variable that studies how people develop buying and consumption relationships with e-commerce. Loyalty is defined as the strength of the relationship between people and firms, based on positive attitudes and repeated buying patterns (Dick & Basu, 1994).

Literature review about TR and E-loyalty and its relationships allow to identify other important related variables (Da-Hai, Shengnan, Yu-fang, & Hui, 2010; Lai, 2007; Liljander, Gillberg, Gummerus, & van Riel, 2006; Lin, 2007; Purani & Sahadev, 2013). This variables are Task-Technology Fit and Acceptance Model (TTF/ TAM) (Klopping & McKinney, 2004) and e-commerce service quality (E-S-QUAL) (Parasuraman, Zeithaml, & Malhotra, 2005). TTF/ TAM explains two different customer tasks during e-commerce buying: (1) buying activity as itself and (2) product information search. Klopping & McKinney (2004) builds the TTF/TAM model as a way to measure users perceptions about ease of use, perceived usefulness, intentions of use, actual usage and user experience in ecommerce websites. On the other hand, E-S-QUAL is defined as the customer evaluation about excellence and superiority of e-commerce websites, measured by efficiency, availability, fulfillment and privacy in Internet based transactions.

With this review, a conceptual model designed to evaluate the relationship between TR and E-loyalty, with TTF/TAM and E-S-QUAL as mediation variables was proposed. This model derives on formulation of an electronic survey with 82 items that measures variables presented. Survey was double translated to English and Spanish and applied to a database with 250.000 e-commerce users e-mails. As a result of this application, 982 valid answers from 30 countries around the world were obtained. Considering the conceptual model proposed, double mediation structural equation modeling was used to analyze obtained data (Holbert & Stephenson, 2003).

Results on table 1 shows that obtained model has good fit, except for proposed relationship between TTF/TAM and E-loyalty (H4) (Hayes, 2009).

Model suggests positive relationship between TR and E-Loyalty. This result implies that better people's technology readiness is reflected as increased loyalty to e-commerce. Improving TR could work as a way to build positive beliefs around e-commerce, aligned also with best practices to get task-technology fit and better service quality. Investing time and resources to design attractive experiences will impact and generate best e-commerce service quality perceptions. This factors together work as a form to improve e-commerce loyalty which generates best results for firms and users.

This research also allow to propose some important conclusions and recommendations to academics, government, e-commerce based firms and users. A better comprehension of key factors associated

		abic 1			
Hypothesis	Relationship	Standardized coef.	t	P-value	
H1	PDT->TTF/TAM (+)	0,339	8,612	***	
H2	PDT->ESQUAL (+)	0,123	4,113	***	
H3	TTF/TAM->ESQUAL (+)	0,714	16,830	***	
H4	TTF/TAM->ELOYALTY (+)	0,089	1,684	0,092	
H5	ESQUAL->ELOYALTY (+)	0,497	7,786	***	
H6	PDT->ELOYALTY (+)	0,165	4,522	***	
	Good	lness of Fit tests			
	Test	Objective value			
CMIN / df	2,156	Approx. 2			
GFI	0,975	0,975 > 0,9			
NFI	0,978	> 0,9			
TLI	TLI 0,985 > 0,95				
CFI	0,988	> 0,95			
RMSEA	0,034	< 0.05			
	<i>Chi-square = 198,323; d.f = 92</i>				

Table 1

to e-commerce loyalty formation enable stakeholders to improve ecommerce adoption. As a result, e-commerce enable communities to get more fair access to goods and services offered in this platforms. For firms, understand detailed behaviors, beliefs and attitudes of users could be translated in potential opportunities for make business more competitive and to enable firm to take advantage off the wide range of opportunities available in digital environments.

- Castells, M. (1996). The information age: economy, society and culture. Vol. 1, The rise of the network society (Vol. 1). Blackwell Oxford.
- d'Alòs-Moner, A., & Ferran, N. (2001). Del elefante a Internet: breve historia de las bases de datos y tendencias de futuro. El Profesional de La Información, 10(3), 22–26.
- Da-Hai, D., Sheng-nan, L., Yu-fang, J., & Hui, Q. (2010). An empirical research on e-commerce customer website loyalty. In 2010 International Conference on Management and Service Science, MASS 2010 (pp. 1–4). https://doi.org/10.1109/ ICMSS.2010.5576771
- Dick, A. S., & Basu, K. (1994). Customer Loyalty : Toward an Integrated Conceptual Framework. Journal of the Academy of Marketing Science, 22(2), 99–113.
- Frasquet Deltoro, M., Mollá Descals, A., & Eugenia Ruiz Molina, M. (2012). Factores determinantes y consecuencias de la adopción del comercio electrónico B2C:una comparativa internacional. Estudios Gerenciales, 28(123), 101–120. https:// doi.org/10.1016/S0123-5923(12)70207-3
- Habermas, J. (1987). Teoría de la acción comunicativa (Vol. 2). Madrid: Taurus.
- Hayes, A. F. (2009). Beyond Baron and Kenny: Statistical mediation analysis in the new millennium. Communication Monographs, 76(4), 408–420.
- Holbert, R. L., & Stephenson, M. T. (2003). The importance of indirect effects in media effects research: Testing for mediation in structural equation modeling. Journal of Broadcasting & Electronic Media, 47(4), 556–572.
- Klopping, I. M., & McKinney, E. (2004). Extending the technology acceptance model and the task-technology fit model to consumer e-commerce. Information Technology Learning and Performance Journal, 22, 35–48.

- Lai, C.-S. (2007). The effects of technology readiness index and IT-based services on the service quality in the hotel industry. In Portland International Conference on Management of Engineering and Technology (pp. 2743–2747). Retrieved from http://www.scopus.com/inward/record.url?eid=2-s2.0-47849120688&partnerID=40&md5=5c0bba1a2666bb1611a0 7d84725477d8
- Liljander, V., Gillberg, F., Gummerus, J., & van Riel, A. (2006). Technology readiness and the evaluation and adoption of self-service technologies. Journal of Retailing and Consumer Services, 13(3), 177–191. Retrieved from http://www.scopus. com/inward/record.url?eid=2-s2.0-31344440039&partnerID=4 0&md5=ca7ec8e62e3a94f184b382bd74ca7663
- Lin, C.-H. (2007). The Effects of Technology Readiness on the Formation of E-Service Value. In PICMET 2007 Proceedings (pp. 1811–1817).
- Parasuraman, A. (2000). Technology Readiness Index (Tri): A Multiple-Item Scale to Measure Readiness to Embrace New Technologies. Journal of Service Research, 2(4), 307–320. https://doi.org/10.1177/109467050024001
- Parasuraman, A., Zeithaml, V., & Malhotra, A. (2005). E-S-QUAL: a multiple-item scale for assessing electronic service quality. Journal of Service Research, 7(3), 213–233.
- Purani, K., & Sahadev, S. (2013). Exploring the role of technology readiness in developing trust and loyalty for e-services. In E-Marketing in Developed and Developing Countries: Emerging Practices (pp. 291–303). Retrieved from http://www. scopus.com/inward/record.url?eid=2-s2.0-84898356671&part nerID=40&md5=9f36e3755a40fb58060f1a92e9d65216
- Reichheld, F. F., & Schefter, P. (2000). E-Loyalty: Your Secret Weapon on the Web. Harvard Business Review, 78(4), 105–113.
- Rodríguez, G. S. (2003). El E-commerce a nivel internacional: algunos casos. Revista de Derecho Universidad Del Norte, 20, 12–29.
- Swinyard, W. R., & Smith, S. M. (2003). Why people (don't) shop online: A lifestyle study of the Internet consumer. Psychology & Marketing, 20(7), 567.
- Teo, T. S. H. (2002). Attitudes toward online shopping and the Internet. Behaviour & Information Technology, 21(4), 259–271.
- Uzoka, F.-M. E., Shemi, A. P., & Seleka, G. G. (2007). Behavioural influences on e-commerce adoption in a developing country context. The Electronic Journal of Information Systems in Developing Countries, 31.

# How Can Logo Make An Inspirational Brand?

Jianping Liang, Sun Yat-sen University, China Guimei Hu, Sun Yat-sen University, China Haizhong Wang, Sun Yat-sen University, China

#### EXTENDED ABSTRACT

Logos are important and visually salient brand elements. Consumers would infer much information from the first sight of logos and make brand judgments even simply from the shapes of logos (Jiang et al., 2016). Logos represent the brands' images and consumers may choose or abandon brands based on the logos. In recent years, companies and brands would want to persuade consumers to buy their products or services via inspirational elements such as innovative products, thought-provoking advertisements, and even charming CEOs. Companies and brands could benefit from the inspirational images when consumers are seeking for changes, for hopes, and/or for better future, because of the fit between the brand images and the needs and wants of consumers.

Inspiration has been developed as a new psychological construct and defined as a motivation state that energizes and directs one's behavior (Thrash and Elliot, 2003, 2004). A trigger object (e.g., ideas or achievement; nature or music) could make people inspired (the "inspired by" process); inspired people may "express, actualize, concretize, or transmit" what is being inspired (the "inspired to" process) (Thrash and Elliot, 2004; p. 958, p. 971). Liang, Chen and Lei (2016) found that victims in donation appeals could inspire consumers to make better evaluation of the donation appeals and even donate more to the victims by eliciting a combination of sadness and strength emotions.

Researchers (e.g., Zhang et al. 2006; Zhu and Argo 2013, Jiang et al., 2016) have identified that visual shapes of brand logo (angular or circular) influence consumer attitude and behavior. In product design, Veryzer and Hutchinson (1998) manipulate different combinations of product parts (round or angular), and show that consumers prefer the same product shapes in the whole and the parts (vs. the different-shape combination), which they called the "Unity effect". In the logo shape context, we propose a similar unity effect that can impact consumers' perceptions and evaluations.

In this study, we attempt to test whether the shapes (i.e., circular and/or angular) in the same logo would interact with each other, which then influence the dimensions of brand personality (e.g., ruggedness; Aaker, 1997). Moreover, we propose that the use of same (vs. different) logo shapes would make a brand more (vs. less) inspirational and increase (vs. decrease) the brand evaluations because of the higher (vs. lower) perception on certain dimensions of brand personality (e.g., excitement).

The attention focus is another important factor and one key characteristics of the analytic-holistic thinking style (or high and low holism). For holistic processor, attention tends to be oriented toward the relationship between objects and the field to which those objects belong. In contrast, the analytic processor tends to focus attention more on an object itself rather than on the field to which it belongs (Ji et al., 2000; Masuda and Nisbett, 2001). Some researchers categorize these thinking styles to be high and low holism (Choi et al., 2003, Choi et al., 2007). Therefore, we propose that the cognitive processes (i.e., high vs. low holistic processor) moderate the impacts of different logo shapes so that high holistic (low) processor would be influenced more (less) by different combinations of logo shapes, because high (low) holistic processors are more (less) concerned about the congruency of logo shapes.

#### METHOD

We manipulate two logo shapes in the same logo: circular and angular. Meanwhile, all the logo shapes have two difference sizes (i.e., small and large) and the logo always has a small logo shape inside a large logo shape. Hence, we establish four different logo conditions in a 2 (circular-small vs. angular-small) X 2 (circular-large vs. angular-large) design and 118 university students participated.

We choose the sport shoes as the experimental stimuli based on Jiang et al. (2016). Participants are shown a picture of a branded shoe with one of the four logos in each condition, as well as some description about the brand (the same in all conditions). They then answer questions on their perceptions about attitude toward the shoe, product comfortableness and durability.

Participants then complete a set of scales measuring the five dimensions of brand personality (i.e., sincerity, excitement, competence, sophistication, and ruggedness, adapted from Aaker 1997) and the extent to which the brand is inspirational, as well as the circular and angular evaluations. Finally, they finish demographic questions on gender, age and profession.

#### **RESULTS AND DISCUSSION**

*Inspirational Brand.* We test whether logo shapes could interact to influence the extent to which a brand is considered inspirational. Using similar 2 X 2 ANOVA with the inspirational brand evaluation as the DV, we found a marginally significant effect of small logo shape and a significant interaction effect, but not the large logo shape effect. Data plot analysis showed that when large and small logo shapes are congruent, consumers think that the brands are more inspirational than the brands with incongruent shapes in the logos.

Mediations of Dimensions of Brand Personality on Inspirational Brand. Using PROCESS model 7 (Hayes 2013), we found significant moderated mediation effects for three brand personality dimensions, i.e., excitement, sophistication, and ruggedness, but not the other two dimensions, i.e., sincerity and competence.

Further examinations indicate that when both small and large logos are congruent (either both in angular or both in circular), the three brand personality dimensions mediate the effects of the logo shapes on brand inspiration in different ways. In particular, when small logos are angular, if large logos are also angular (vs. circular), excitement, sophistication, and ruggedness mediate the effects of logo shape on brand inspiration. Meanwhile, when large logos are circular, if small logos are also circular (vs. angular), excitement and sophistication are significant mediators between logo shapes and brand inspiration.

Mediation of Brand Inspiration on Product Quality Evaluation. Using PROCESS model 7 (Hayes 2013), we found significant moderated mediation effects for brand inspiration. Further examinations indicate that when both small and large logos are congruent (either both in angular or both in circular), the brand inspiration mediate the effects of the logo shapes on product quality perception. In particular, when small logos are angular, if large logos are also angular (vs. circular), brand inspiration mediate the effects of logo shape on quality perception.

Moderations of Holism on Logo Shape Effect. Using PROCESS model 3 (Hayes 2013), we found significant moderated effects for holism. Further examinations indicate that when both small and large

logos are congruent (either both in angular or both in circular), high holism moderate the effects of logo shape on brand inspiration, that is, for high holism individuals, they are more likely to evaluate brand inspiration higher when the large and small logo shape are both in angular or both in circular.

# **GENERAL DISCUSSION**

This paper contributes to the logo shape literature on how different combinations of logo shapes could impact the brand perceptions (particularly the brand inspiration), and influence product quality evaluations. Specifically, when different sizes of logo shapes are congruent (either both circular or both angular), the products are considered to be more comfortable, more durable and the brand is perceived more inspirational than the condition with incongruent logo shapes (circular and angular shapes). Further, we found a significant moderated mediation effects for three brand personality dimensions, i.e., excitement, sophistication, and ruggedness, and a significant moderated effect for holism on this logo shape effect. Finally, this is the first study to introduce the important construct of inspiration into the literature of the brand logo shape and brand perceptions. Acknowledgement: The authors acknowledge financial support from National Natural Science Foundation of China Research Grant (71102099, 71672201).

### REFERENCES

Aaker, J. L. (1997), "Dimensions of Brand Personality." Social Science Electronic Publishing, 34 (3): 347-356.

- Choi, I., Dalal, R., Kimprieto, C., and Park, K. (2003), "Culture and Judgment of Causal Relevance," *Journal of Personality & Social Psychology*, 84(1), 46-59.
- Choi, I. M. Koo, and Choi, J.A. (2007), "Individual Differences in Analytic versus Holistic Thinking," *Personality and Social Psychology Bulletin*, 33 (5): 691-705.

- Ji, L. J., Peng K., and Nisbett R. E. (2000), "Culture, Control, and Perception of Relationships in the Environment," *Journal of Personality & Social Psychology*, 78(5), 943-55.
- Hayes, A. F. (2013), An Introduction to Mediation, Moderation, and Conditional Process Analysis. New York: The Guilford Press.
- Liang, J., Chen Z., and Lei, J. (2016), "Inspire Me to Donate: The Use of Strength Emotion in Donation Appeals," *Journal of Consumer Psychology*, Volume 26, Issue 2, April, 283–288.
- Jiang, Y., G. J. Gorn, Galli, M. and Chattopadhyay A. (2016), "Does Your Company Have the Right Logo? How and Why Circular- and Angular-Logo Shapes Influence Brand Attribute Judgments," *Journal of Consumer Research*, 42 (5), 709-726.
- Masuda, T., and Nisbett, R. E. (2001), "Culture and Attention to Object vs. Field," Unpublished manuscript, University of Michigan, Ann Arbor.
- Thrash, T. M., & Elliot, A. J. (2003), "Inspiration as a Psychological Construct," *Journal of Personality and Social Psychology*, 84(4), 871-889.
- Thrash, T. M., & Elliot, A. J. (2004), "Inspiration: Core Characteristics, Component Processes, Antecedents, and Function," *Journal of Personality and Social Psychology*, 87(6), 957-973.
- Veryzer, R. W., and Hutchinson, J. (1998), "The Influence of Unity and Prototypicality on Aesthetic Responses to New Product Designs," *Journal of Consumer Research*, 24(4), 374-394.
- Zhang, Y., Feick, L., and Price, L. J. (2006), "The Impact of Self-Construal on Aesthetic Preference for Angular versus Rounded Shapes," *Personality and Social Psychology Bulletin*, 32 (6), 794–805.
- Zhu, R. and Argo, J. J. (2013), "Exploring the Impact of Various Shaped Seating Arrangements on Persuasion," *Journal of Consumer Research*, 40 (2), 336–49.

# Micro and Small Enterprises' Challenges in Developing and Providing Goods to the Base of the Pyramid

Miriam Borchardt, UNISINOS University, Brazil Alexandre Ferreira, UNISINOS University, Brazil Giancarlo Pereira, UNISINOS University. Brazil Cláudia Viegas, UNISINOS University, Brazil

# EXTENDED ABSTRACT

# **RESEARCH METHODOLOGY**

This paper analysis "How micro and small enterprises that develop and produce consumable goods to the Base of the Pyramid (BOP) face the challenges related to product development and distribution?". In Brazil, small and medium-sized enterprises (SMEs) contribute with 30% of the GDP and 60% of the formal jobs (IBGE 2010). These enterprises face severe difficulties to provide goods to the BOP market such as lack of access to capital, weak networks, poor working conditions, limited resources and marketing. One favorable aspect is that SMEs are more flexible than large corporations, being more familiar to their communities, which will ensure they protect their reputation and relationships among neighbors and customers (Reijonen et al. 2012).

The relevance of the BOP market should be considered as well. There is no consensus about the range of income per day that comprises the BOP: from US\$1.00 to U\$2.00, or up to US\$8.00 (Guesalaga and Marshall 2008). The BOP in Brazil – where this research has been held - represents about 149 million people (approximately 75% of the population) that live with an income as equal as or below U\$8.00 per day (IBGE 2010).

Understanding how SMEs compete in increasingly competitive emerging economies and how these enterprises have been developing products remain extremely limited (Sok, O'Cass and Miles 2015). The presented research question is linked to an ongoing research project. The results pointed out are based on the analysis of how micro and small enterprises that develop and provide consumable goods to the BOP are facing the challenges related to products development, distribution, and marketing strategies.

### LITERATURE REVIEW

The literature analysis regarding the BOP's products development, considering the micro and SMEs (small and middle companies), allowed the identification of constructs presented herein. The construct Product Development (DP) comprises the products adaptability to the BOP's market by means of packages modifications and the products characteristics and the possible demand, when it comes to the micro and SMEs, regarding new technologies (Schrader, Freimann and Seuring 2012). 'Organizational Reconfiguration (RO)' considers the aspects associated with the processes, human, technology and capital resources, access and use of public policies in the function of limited SMES resources (Rajagopal 2009). 'Marketing Strategies (MS)' points out the necessity of knowing the social, cultural, regulatory and competition characteristics so that enterprises can establish in which market they will act (Schrader, Freimann and Seuring 2012). 'Sustainability (S)' highlights the importance of developing products with the implementation of sustainable concepts and cleaner technologies (Pereira and Borchardt 2013). 'The Supply and Distribution Chain (CSD)' contemplates the existence of channels of supply and distribution systems to operate in the BOP market so segmented and pulverized, based on trust, without the accuracy of the information concerning the demand (Pereira and Borchardt 2013).

This research uses a qualitative method based on in-deep exploration. A multiple case studies have been conducted. The sample was comprised by seven micro and small enterprises that produce food. Data collection was based on a protocol with semi-structured questions considering the presented constructs. As limitations, it can be mentioned that all surveyed enterprises are located in one geographic region of the Rio Grande do Sul State; the sample comprises only food producers; only micro and small enterprises are being surveyed in this phase.

# FINDINGS AND FINAL REMARKS

The key challenges identified by the companies surveyed relate to scarcity of resources, the difficulty of access to cutting-edge technology, the transport of inputs and materials, the threat from imported products and major brands leaders in the market. The support from development organs and universities is considered by the respondents as relevant to the initial business organization (construct RO). There is the search for incremental innovations, which reduce the product cost and production and radical innovations in products so that the same arouse the consumers' attention (construct DP). There is an in-depth knowledge and insertion in BOP market but it also remains a look to the middle class market that requires products a little better elaborated (construct MS). Local suppliers are essential to provide inputs within the required deadline and the relationships of trust and mutual dependence are very relevant. The same occurs with distribution (construct CSD). The actions for reducing environmental impact occur as a result of seeking to reduce costs (energy, water, transport) (Construct S).

This research advances in terms of academic contribution to the point that the producers set the product price and decrease the amount of packaging in a context of economic instability and inflation. It also points out that the enterprises focus also on the BOP segment with a purchase power a little better than the really poor. For these consumers, they make distinctions in basic products such as homemade or rural taste and such aspects could be better explored by marketing strategies. This market generates more margin by product although in terms of volume it represents fewer sales.

**Recognition** - The authors are grateful to CNPq (Project 443156/2014-0) for the financial support received for this research.

- Guesala, R., and Marshall, P. (2008), "Purchasing power at the bottom of the pyramid: differences across geographic regions and income tiers", *Journal of Consumer Marketing*, 25, 413–418.
- IBGE Instituto Brasileiro de Geografia (2010), "Demographic Sensus" (in Portuguese), Available at: http://www.ibge.gov. br/home/estatistica/populacao/censo2010/ (Accessed 03 November 2015).
- Pereira, G.M., and Borchardt, M. (2015), "Innovating in green projects for emerging markets", In: Giannetti, B., & Almeida, C.M. (Eds.), Advances in Cleaner Production, Vol. 2, chapter 12.

Rajagopal (2009), "Branding paradigm for the bottom of the pyramid markets", *Measuring Business Excellence*, 13 (4), 58 – 68.

Reijonen, H., Laukkanen, T., Komppula, R., and Tuominen, S. (2012), "Are Growing SMEs More Market-Oriented and Brand-Oriented?, *Journal of Small Business Management*, 50 (4), 699–716.

- Schrader, C., Freimann, J., and Seuring, S. (2012), "Business Strategy at the Base of the Pyramid", *Business Strategy and the Environment*, 21 (5), 281–298.
- Sok, P., O'Cass, A., and Miles, M.P. (2015), "The Performance Advantages for SMEs of Product Innovation and Marketing Resource-Capability Complementarity in Emerging Economies", *Journal of Small Business Management*, 54 (3), 805-826.

# **Decision Continuum of Consumers' Product Choice**

Zoltán, Veres, Universidad de Pannonia, Hungría Orhidea Edit, Kiss, Universidad Eötvös Lorand, Hungría

#### **INTRODUCTION**

Measurement of preferences determining consumer product choice has a long history in consumer research (chronologically Jain, Mahajan and Malhotra 1979; Hauser and Shugan 1980; Walsh and Roe 1987; Moore and Semenik 1988; Srinivasan 1988; Green and Srinivasan 1990; Green et al. 1993; Torres and Greenacre 2002; Netzer et al. 2007; Bond, Carlson and Keeney 2008; Scholz, Meissner and Decker 2010; Netzer and Srinivasan 2011 etc.). In the multiattribute consumer decision making both regularities and irregularities can be observed. There exist many competing points of view among the various theoretical approaches dealing with this topic, but none of them has become dominant [see a review of Russel (2014) on brand choice].

In the case of conscious choice consumer evaluates the available alternatives based on certain criteria, and applying a decision rule selects one of the options (in a so-called rule-based decision). All existing rankings and assessment of alternatives are impossible, in fact, it is simply not possible to know all the options (Hastie and Dawes 2001). Consumer's choices can be placed in a decision continuum. One end of the continuum represents the conscious buyer who is able

- to fully control his/her decision,
- to perceive the attribute utilities in a contradiction-free way,

consequently, in any situation, he/she is able to make consistent, say transitive decision. To the other end of the continuum that imaginary consumer is placed who makes his/her decision without any consideration, in a fully random way. The real decision-making i.e. the non-extreme behavior is located between the two endpoints. The actual position of this maximum likelihood point is a function of numerous factors.

# MULTIDISCIPLINARY ANTECEDENTS ON PREFERENCES

At this point it is necessary to reflect on how the motion of the choice position in the decision interval defined above in the introduction is caused by the circumstances, the dominant and moderating factors of decision. The common characteristics of preference features is that they can refine explanation of choice as compared to the simplifying discrete utility approach.

#### Attribute importance

Expression of preferences is significantly influenced by the fact that an attribute is very important or very unimportant (say: positive and negative *robust attributes*), or they are situated somewhere between these two extremes (let them call: quasi *neutral attributes*). A logical assumption is that a more robust importance assists and strengthens decision consciousness, and vice versa.

#### Indifferent preferences

The concept of preferences presupposes by definition the diversity of the objects to be compared, or it allows equal (say: indifferent) utilities in consumer's choice based on principle of completeness. Indifference of the attribute preferences is imaginable in more ways. It is reasonable that such an eventuality of the decision is shifting the choice towards the random end of the decision continuum.

#### Discrete utility values vs. intervals

A basic assumption of microeconomics is that individuals are aware of their preferences and have the ability to recognize the variant for providing maximum utility to choose (Freeman 2003). The utility - as a preference explaining term - and the utility models implicitly assume the attribute utilities to be discrete values (levels). However, this has never been proved. Thus the logical (lifelike) assumption is that utilities of the attributes, for the consumer's mind form intervals of different range instead of fixed levels, in which utilities are accidentally/randomly "floating". This supports the assumption that strengthening interval character of utility values shifts consumer choice decision toward the random extreme.

#### Preference instability

With a simple classification context-based, time-based and immanent instabilities can be distinguished. As regards the *context* preference instability can be detected when we compare preference system formulation prior to the buying situation with that preference system which is revealed in the buying decision. Beside the context instability can equally be modelled as *time function of the individual preference system*. Beyond context and time based ones, preference instability by nature (*immanent instability*) has to be taken into account, as well. Naturally any form of preference instability may shift the consumer decision towards the random range.

#### *Memory effect (learning experience)*

Any re-purchase can be considered as a learning process. Experience and the remembrance of it, is a moderating factor. Experience has a positive impact on preference stability (Hoeffler and Ariely 1999). As the consumer relies heavily on memory it has a decisive role in decision-making (Mantonakis, Whittlesea and Yoon 2008). Learning by experience gives rise to a preference development, which is likely to weaken the random decision behavior.

#### Degree of complexity

Numerous relevant publications demonstrate the complexity of the system attributes (e.g. from the past Bettman 1979). Also on the basis of the Dijksterhuis (2006) experiment it can be assumed that product complexity has a significant role in the purchase decision. In situations with incomplete (i.e. real) or complex information maximum utility behavior can not be objectively determined (Simon 1986). Decision complexity can also be interpreted by volume of information that is at hand of the consumer during the choice. Due to mental load on consumers increasing product complexity can strengthen the random character of the decision.

#### **PROBLEM STATEMENT**

Choice *inconsistency* can be considered as limits of the decision task, like e.g. completeness of attribute-system; measurability of attributes; conflicting utilities; comparison of alternative utilities; multiattributive decision etc. The mechanism of the above factors is hardly quantifiable but their aggregate influence on choice decision can be well simulated and detected in an *experimental research design*. In fact decision continuum model supposes a limited consciousness of decision. Based on the research antecedents and the model the following research questions are worth investigating: in the case of sequential choice between products of different complexity where is the typical position in the decision continuum of the preference-

based product attribute choices between the fully self-controlled and fully random extremes? In other words

- 1) Where is the position of the average sequential transitive choice-steps between the two extremes (controlled vs. random)?
- 2) What is the relationship between product complexity and ability to choose in a consistent way?
- 3) Is the decision influenced by the amount of attribute information to compare?

- Bettman, J. R. (1979), An Information Processing Theory of Consumer Research, Reading, MA: Addison-Wesley
- Bond, S. D., K. A. Carlson and R. L. Keeney (2008), "Generating objectives: Can decision makers articulate what they want?" *Management Science*, 54 (1), 56–70.
- Dijksterhuis, A., M.W. Bos, L.F. Nordgren and R.B. van Baaren (2006), "On making the right choice: the deliberation-withoutattention effect," *Science*, 311(5763), 1005–7.
- Freeman M. A. (2003), *The measurement of environmental and* resource values: theory and methods, Washington: RFF Press
- Green, Paul E. and V. Srinivasan (1990), "Conjoint Analysis in Marketing: New Developments with Implications for Research and Practice," *Journal of Marketing*, 54 (4), 3-19.
- <u>Green</u>, Paul E., <u>Abba M. Krieger</u> and <u>Manoj K. Agarwal (1993)</u>, "A cross validation test of four models for quantifying multiattribute preferences," <u>Marketing Letters</u>, 4 (<u>4</u>), 369-80.
- Hastie, R., and Dawes, R. M. (2001), *Rational Choice in an* Uncertain World: The Psychology of Judgement and Decison Making, Thousand Oaks, CA: SAGE
- Hauser, J.R. and Shugan, S.M. (1980), "Intensity Measures of Consumer Preference", *Operations Research*, 28(2), 278-320.
- Hoeffler, S., and Ariely, D. (1999), "Constructing Stable Preferences: A Look into Dimensions of Experience and their Impact on Preference Stability", *Journal of Consumer Psychology*, 8(2), 113-139.
- Jain, Arun K., Vijay Mahajan and Naresh K. Malhotra (1979), "Multiattribute Preference Models For Consumer Research: a Synthesis," In NA - *Advances in Consumer Research*, Vol. 06, eds. William L. Wilkie, Ann Abor, MI : Association for Consumer Research, 248-252.
- Mantonakis, A., Whittlesea, B. W. W., and Yoon, C. (2008), "Consumer Memory, Fluency, and Familiarity". In C. P. Haugtvedt, P. Herr, & F. R. Kardes (Eds.), *The Handbook* of Consumer Psychology, (pp. 77-102), Lawrence Erlbaum Associates
- Moore, William L. and <u>Richard J. Semenik (1988)</u>, "Measuring preferences with hybrid conjoint analysis: The impact of a different number of attributes in the master design," *Journal of Business Research*, 16 (3), 261-74.
- Netzer, Oded and V. Srinivasan (2011), "Adaptive Self-Explication of Multiattribute Preferences," *Journal of Marketing Research*. 48 (1), 140-56.
- Netzer, Oded, Olivier Toubia, Eric T. Bradlow, Ely Dahan, Theodoros Evgeniou, Fred M. Feinberg, Eleanor M. Feit, Sam K. Hui, Joseph Johnson, John C. Liechty, James B.
  Orlin and Vithala R. Rao (2007), *Beyond Conjoint Analysis:* Advances in Preference Measurement, Manuscript, Seventh Triennial Invitational Choice Symposium, "Choices Under Restrictions," hosted by the Wharton School, University of Pennsylvania, June 2007

- Russell, G. J. (2014), "Brand Choice Models". In R. Winer and S. A. Neslin (Eds.), *The History of Marketing Science*, (pp. 19-46), Hanover, MA: World Scientific-Now Publishers
- Scholz, Sören W., Martin Meissner and Reinhold Decker (2010), "Measuring Consumer Preferences for Complex Products: A Compositional Approach Based on Paired Comparisons," *Journal of Marketing Research.* 47 (4), 685-98.
- Simon, H. (1986), "Rationality in Psychology and Economics". Journal of Business, 59(4), 2.
- Srinivasan, V. (1988), "A conjunctive-compensatory approach to the self-application of multiattributed preferences," *Decision Sciences*, <u>19 (2)</u>, 295–305.
- Torres, Anna and Michael Greenacre (2002), "Dual scaling and correspondence analysis of preferences, paired comparisons and ratings," *International Journal of Research in* Marketing, 19 (4), 401-5.
- Walsh, J. and P. Roe (1987), "Preference modelling: conjoint analysis and multi-attribute models," *Irish Marketing Review*, 2, 126-37.

# Motivational Characteristics of Online Shopping and Buying: Impulsive and Compulsive Buying in E-Stores

Orhidea Edith Kiss, Eötvös Lorand University - Institute of Psychology, Hungary Zoltán Veres, University of Pannonia - Department of Marketing, Hungary

# INTRODUCTION

Online shopping has been treated for a long time as a task-oriented, rational experience and emotional aspects have been neglected. However, researchers emphasize that satisfaction, entertainment, pleasure, aesthetics, emotions and enjoyment could be motivating as well. Based on exploratory studies, our purpose is to investigate consumers' motivation using offline and online survey methods as well as to study online impulsive and compulsive behavior.

# LITERATURE REVIEW AND FRAMEWORK DEVELOPMENT

The focus of studies has shifted from utilitarian needs to hedonic motivations. Previous research confirmed that utilitarian values regulate online shopping decisions, therefore the content of the most visited e-commerce sites had a utilitarian character. Morganosky and Cude (2000) concluded that in this interaction search for pleasure and aesthetics can be seen as important values as well. To, Liao and Lin (2007) suggested an integrated model for understanding online shopping motivations. Their results show that hedonic motivations have a direct impact on the search for products and services, but they have only an indirect impact on buying intention. Utilitarian motivations are stronger predictors of buying and can be triggered by the need for comfort, savings, data collection and product selection. On the other hand, hedonic motivations are maintained by the need for adventure, status and prestige. These results were confirmed by Bridges and Florsheim (2008), furthermore; they demonstrated that hedonic motivations show a positive correlation with the pathological use of the Internet. A lot of studies confirm the utilitarian and hedonic motivational factors, but the question is how we can define their determining role in online shopping and buying.

Higgins formulated the self-regulatory focus theory (RFT). RFT examines the relationship between people's motivation and goal achievement process (Higgins, 1997). He established that promotion orientation implies the achievement of an idealistic self, and thus it makes people more susceptible to the absence or existence of positive outcomes. By contrast, prevention orientation carries on efforts to avoid negative events and makes people vulnerable to the presence or absence of negative consequences. Those who are prevention oriented pay more attention to information which helps them to meet obligations and gratify their need for security. In contrast to this, promotion oriented people are more sensitive to information which helps them in achieving the desired objectives. According to Pham and Avnet (2004), prevention oriented consumers tend to decide on the basis of financial evidence, reliability and product properties, while promotion oriented consumers tend to rely on their emotional responses.

Furthermore, on the basis of Bridges and Florsheim's confirmation (2008), our goal is to study online impulsive and compulsive behavior. Compulsive buying is characterized by an irresistible internal need which often causes buying unnecessary items. The buying process is usually preceded by a feeling of tension and is followed by relief. After buying something, the person may feel remorse and in the background of that some internal factors can be identified. Researchers have shown that there is a connection between compulsive buying and low self-esteem, depression, materialism, impulsivity, loneliness and obsessive-compulsive disorder. Furthermore, it was found that low self-regulation correlates with online compulsive shopping habits. Impulsive buying appears when a consumer feels a strong and irresistible need for immediately buying something, but this motivation is usually triggered by external stimuli. The buying process is automatic and contains unconscious decision sequences, it is not preceded by a rational deliberation, and it is associated with a positive feeling, happiness during and after buying the item (Kukar-Kinney, Ridgway and Monroe 2009).

Lee et al. (2009) found a positive relationship between compulsive buying behavior and hedonistic motivations. Bridges and Florsheim (2008) confirm that compulsive buyers prefer online "presence". Their goal is usually to avoid social interactions, to remain unobserved and to experience immediate positive feelings. Kukar-Kinney et al. (2009) determine four motivational factors: *buying unobserved, avoiding social interaction, product and information variety, immediate positive feelings*. Positive feelings depend on satisfaction of hedonic needs. By testing the online shopping and buying motivation by a questionnaire, they identified four homogeneous consumer groups: *bricks-and-mortar buyers, compulsive buyers, product and information seekers* and *anti-social information seekers*. Although the literature identified numerous online customer groups, we applied the conception and items of Kukar-Kinney et al. (2009) for testing impulsive and compulsive buying.

# HYPOTHESES AND RESEARCH QUESTIONS OF THE STUDY

In this study we try to find answers related to the role and weight of hedonic and utilitarian motivations. Our goal is to rethink the above-mentioned contradictory results. Moreover, our research question is the following: 1) Can those motivational factors and customer groups known from the relevant literature be identified? 2) Can we describe online compulsive and impulsive buyers on the basis of motivational aspects and psychological characteristics?

Hypothesis 1	Utilitarian motivations have a stronger effect on online shopping than hedonic motivations.
Hypothesis 2	Compulsive buyers show higher scores com- pared with other groups in the following motiva- tional factors: buying unobserved, avoiding so- cial interaction, product and information variety and immediate positive feelings.
Hypothesis 3	Compulsive buyers show higher scores in he- donic motivations than other groups.
Hypothesis 4	Compulsive buyers show a higher prevention fo- cus compared with other groups.
Hypothesis 5	Compulsive buyers show higher scores in well- defined aspects of compulsive behavior and in psychological characteristics related to the com- pulsive buying behavior.

#### METHOD

#### **Participants**

In this study we took two samples. In the first phase 536 online buyers filled out our questionnaire (44% male, 56% female) in the second phase 160 online buyers (37% male, 63% female). In both samples 50 to 60% of participants were between 18-30 years of age. 40 to 43% of both samples had completed graduate education. More than half of both samples claimed to have average living standards. Measures – Sample 1.

Study of hedonic vs. utilitarian motivations: self-made item list, hedonic scale  $\alpha$ =0.84, utilitarian scale  $\alpha$ =0.82. (2) Motivations to Shop and Buy on the Internet (Kukar-Kinney et al 2009): buying unobserved scale  $\alpha$ =0.86, avoiding social interaction scale  $\alpha$ =0.68, product and information variety scale  $\alpha$ =0.78, immedite positive feelings scale a=0.82. (3) Richmond Compulsive Buying Scale (Ridgway, Kukar-Kinney and Monroe 2008): a=0.80. (4) Questionnaire About Buying Behavior (Lejoyeux et al 1997): bricks-and mortar shopping scale  $\alpha$ =0.81, online shopping scale  $\alpha$ =0.77. (5) General Regulatory Focus Measure (Lockwood et al 2002): promotion scale  $\alpha$ =0.81, prevention scale  $\alpha$ =0.85.

#### Measures - Sample 2.

(1) WHO Well-Being Scale (Heun et al, 1999): α=0.81. (2) Brief Symptom Inventory (Rose 2007): a=0.96. (3) Rosenberg Self-Esteem Scale (Rosenberg 1965): a=0.86. (4) Contingent self-esteem (Johnson and Blom 2007): competency-based scale  $\alpha$ =0.89, relationbased scale a=0.90. (4) Brief Sensation Seeking Scale (Hoyle et al 2002): α=0.80. (6) Barratt Impulsiveness Scale (Sansone et al 2011): self-controll scale  $\alpha$ =0.74, impulsive behavior scale  $\alpha$ =0.77, impatience scale a=0.67. (7) Borderline Personality Disorder (Zanarini et al 2003): α=0.75.

The results were calculated with SPSS 22.0 statistical software package and all SEM analyses were performed with MPlus 7.3 (Muthén and Muthén 1998-2012).

# RESULTS

#### **Results on Sample 1.**

ad H1: We demonstrated that the utilitarian motivations have a stronger effect on online shopping than hedonic motivations (x2=261.436, p<0.001, utilitarian M=3.51, Std.d=0.62, hedonic M=2.86, Std.d= 0.79). Motivations did not have a significant effect on the purchase frequency, on the time spent shopping, on the amount spent during the purchase and on the type of the product chosen.

The results obtained from the cluster analysis on the Sample 1. show that the first cluster has the highest scores in every shopping motivation (average cluster>4.5 in all motivations). We call this group Compulsive buyers. The second group is called Antisocial product and information seekers, and they show the highest value in the product and information variety motivation (cluster average>5), a moderately high score in buying unobserved motivation (cluster average>4.5) and low scores in the other two motivations (cluster average<3.5). The third group is called Products and information seekers because they show a high score in the product and information variety motivation (average cluster>5.5), but in the other three they have low scores (cluster average<2). The fourth group is called Bricks-and mortar buyers, they show lower scores than 3.5 in all motivations. We regained the groups and cluster values described in the literature.

56 persons (10.5% of total sample) were included in the Compulsive buyer group. 30.4% of them claim to have an average standard of living and 23.6% of them claim to have spent small amounts in e-stores. 1% of the total sample go to shop online daily and 9.6%

#### Latin America Advances in Consumer Research (Volume 4) / 51

of them shops weekly, while 9% of the compulsive buyers shop daily and 18% of them shop weekly. Their interest in the buying process is not to buy expensive products. In this group people use mainly Pay-Pal for payment and they use electronic payment methods more frequently than other consumers. 51.8% of them are female and 64.9% were between 18-30 years of age.

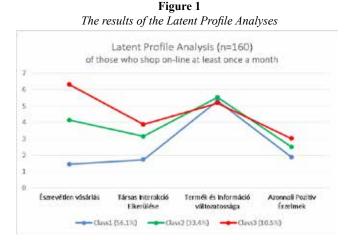
ad H2. We demonstrate that compulsive buyers show higher scores compared with other groups in the following motivational factors: buving unobserved, avoiding social interaction, product and information variety and immediate positive feelings. Compulsive buyers show significantly higher scores in all motivations compared with other buyers: unobserved buying (U=776, p<0.001, compulsive buyers M=5.58, Std.d=1.38; normal group M=2.79, Std.d=1.55), avoiding social interaction (U=391.5, p<0.001, compulsive buyers M=3.33, Std.d=1.67; normal group M=1.70, Std.d=1.06), products and information variety (U=2542, p<0.001, compulsive buyers M=5.90, Std.d=0.92; normal group M=4.38, Std.d=1.37) and the immediate positive feelings ( U=352.5, p<0.001, compulsive buyers M=4.42, Std.d=1.43, normal group M=1.97, Std.d=1.02).

ad H3. It is partially confirmed that Compulsive buyers show higher scores in hedonic motivations than other groups. Compulsive buyers show significantly higher scores in both utilitarian (U=7902, p<0.001, compulsive buyers M=4.32, Std.d=0.47; normal group M=3.82, Std.d=0.76) and hedonic motivations (U=5.805, p<0.001, compulsive buyers M=3.46, Std.d=0.71, normal group M=2.61, Std. d=0.82) than the normal group. In hedonic motivation we find more significant differences. Although compulsive buyers typically give stronger response in both categories of motivation, the hedonic items gain more positive evaluation in this group than in the normal group.

ad H4. We demonstrate that Compulsive buyers show a higher prevention focus compared with other groups. Our results show that compulsive buyers have significantly higher scores in prevention focus compared with the normal group (U=3.582, p<0.01, compulsive buyers M=6.37, Std.d=2.12, normal group M=5.07, Std. d=2.18), whereas there is no significant difference in promotion focus (p=0.960).

#### Results on Sample 2.

With the aim of identifying compulsive buyers more precisely we performed Latent Profile Analyses (Collins and Lanza 2010) and on the basis of the values of the test we accepted the three-group solution. Figure 1 shows that the most differential factor is the unobserved buying (differential values of the Factor 1: Class 1 - 1,452, Class 2 - 4,131, Class 3 - 6,311) and then avoiding social interaction (differential values of the Factor 2: Class 1 - 1,718, Class 2 - 3,146, Class 3 - 3,867).



#### 52 / Motivational Characteristics of Online Shopping and Buying: Impulsive and Compulsive Buying in E-Stores

The identified groups using the differentiating factors are the following: Product and information seekers (56.1% of sample), Unobserved product and information seekers (33.4% of sample) and Compulsive buyers (10.5% of sample, 16 persons). The three groups show significant differences in the three motivational factors: the unobserved buying (KW=121.751, p<0.001, product and information seekers: M=1.45, Std.d =0.52, unobserved product and information seekers: M=4.11, Std.d=0.61; compulsive buyers: M=6.28, Std. d=0.64), the avoidance of social interaction (KW=57.725, p<0.001, product and information seekers: M=1.71, Std.d=1.00; unobserved product and information seekers: M=3.16, Std.d=1.19; compulsive buyers: M=3.93, Std.d=1.55), and immediate positive feelings (KW=15.417, p<0.001, product and information seekers: M=1.89, Std.d=1.16; unobserved product and information seekers: M=2.50, Std.d=1,27; compulsive buyers: M=2.92, Std.d=1.47). It can be seen that compulsive buyers have the highest values in all three motivational factors (product and information seekers: M=5.31, Std. d=1.25, unobserved product and information seekers: M=5.52, Std. d=1.07; compulsive buyers: M=5.21, Std.d=1.29).

Demographic characteristics of the Compulsive buyers: 68.8% are between 18-30 years of age, 10 persons are women (62.5% of sample) and 6 are men. 10 persons have completed graduate education (62.5% of sample). 10 persons claimed to live below the average standard of living and they did not take credit for buying products.

ad H5. We cannot confirm that compulsive buyers show higher scores in other spectrums of compulsive behavior and in psychological characteristics related to compulsive buying behavior. Using Edwards's ECBS-R scale we have found significant differences between the three groups (KW=8.681, p<0.05, product and information seekers: M=26.47, Std.d=8.85; unobserved product and information seekers: M=30.65, Std.d=9.89; compulsive buyers M=29.31, Std. d=6.83), however the unobserved product and information seekers have shown the highest average value. We have found a significant difference in the ECBS-R mood modification factor, and again the unobserved seekers show the highest value (KW=10.388, p<0.01, product and information seekers: M=13.61, Std.d=5.06; unobserved product and information seekers: M=16.58, Std.d=5.64; compulsive buyers: M=15.18, Std.d=4.80). Compulsive buyers have significantly the highest value in one of the three items of ECBS-R guilt factor: "I hide my spending habits and the things that I buy from family or friends" (KW=6.145, p<0.05, product and information seekers: M=1.18, Std.d=0.43, unobserved product and information seekers: M=1.41, Std.d=0.75; compulsive buyers: M=1.50, Std.d=0.73). Along with personality characteristics the three groups differ significantly in two traits: BSI interpersonal sensitivity (KW=8.967, p<0.05, product and information seekers: M=1.73, Std.d =2.60; unobserved product and information seekers: M=2.88, Std.d=2.94; compulsive buyers: M=3.50, Std.d=4.30), BSI paranoid ideation (KW=11.078, p<0.01, product and information seekers: M=2.50; Std.d=3.34; unobserved product and information seekers: M=3.36, Std.d=3.69; compulsive buyers: M=4.50, Std.d=4.30). Our results show that compulsive buyers have significantly the highest value in Contingent relationship-based self-esteem scale (F (2.150)=4.439, p<0.05, product and information seekers: M=8.24, Std.d=2.69; unobserved product and information seekers: M=8.70, Std.d=2.61; compulsive buyers: M=8.93, Std.d=2.34). H5 hypothesis has not been confirmed. Furthermore, we could not find evidence for lower dissatisfaction with life, for higher sensation seeking, for obsessivecompulsive characteristics or signs of borderline personality disorder in the compulsive buyer group. The main results are presented in Table 1.

#### DISCUSSION AND CONCLUSIONS

In line with the results of To, Liao and Lin (2007) we have found that the utilitarian motivations have a stronger effect on online shopping than hedonic motivations; furthermore, we regained the consumer groups conforming to the results of Kukar-Kinney et al. (2009). Compulsive buyers can be characterised by unobserved buying, avoiding social interaction, seeking for information on product variety, the need for experiencing positive emotions immediately, and searching for more the enjoyment than profit. This means that compulsive buyers really often buy unnecessary products and less necessary things, they enjoy the process instead of enjoying obtaining specific products, and they often go to buy something unaccompanied. Compulsive buyers therefore can be characterised by the need for remaining unobserved and avoiding social interactions.

	Main result of the study	
Research questions of the study	Methods	Results
What kind of effect do hedonic and utilitarian motivations have <i>on online shopping</i> ?	Questionnaires with items related to <i>motivations</i> and <i>general regulatory focus</i> filled out by 536 online buyers;	Utilitarian motivations have a signifi- cantly stronger effect on online shopping than hedonic motivations.
Can motivational factors and customer groups known from the relevant literature be identified? Which are their main charac- teristics?	+ Cluster Analyses;	We regained the groups and cluster values described in the literature. Compulsive buyers show significantly higher scores in motivational factors and in prevention focus as compared with other
What kind of motivational aspects and psychological characteristics are related to online compulsive buying behavior?	Latent Profile Analyses; + Questionnaires with items related to well-being, self-esteem, impulsiveness, personality disorders, <i>sensation seeking</i> and other psychological aspects filled out by <i>160 online buyers</i> .	groups. We cannot confirm that compulsive buyers show higher scores in other spec- trum of compulsive behavior and in psycho- logical characteristics related to the compul- sive buying behavior (unless in three items of the <i>guilt</i> factor: in <i>interpersonal sensitiv-</i> <i>ity</i> , in <i>paranoid ideation</i> and in <i>contingent</i> <i>relationship-based self-esteem</i> ).

Table 1

Apart from this, they are prevention focused and they achieved the highest value along one item of the ECBS-R guilt factor. However, we failed to demonstrate that we could definitely identify compulsive buyers, perhaps the impulsive and compulsive buying "goes on in different ways" in bricks-and mortar and online stores and might be described well by different constructs. The results indicate that compulsive buyers show clinical symptoms in only three psychological aspects. The BSI interpersonal sensitivity is attached to a feeling of inadequacy and worthlessness in comparison with others. Given the high level of interpersonal sensitivity - conforming to the exit theory - compulsive buyers are trying to focus their attention towards external things, which in turn can reduce their self-regulation. As a result of decreased self-regulation, they lose control and will start shopping, trying to compensate for their instability by external objects. A high value achieved on BSI paranoid ideation confirms the results of Villardefrancos Otero-López (2015) that the obsessive thoughts appear as often as symptoms of compulsive buying behavior. The lack of self-control can cause distress symptoms: the person loses selfcontrol, therefore they become suspicious, hostile, afraid of losing their autonomy; however, they try to control the events by avoiding anticipated potential losses. For example, compulsive buyers try to avoid the feeling of remorse by buying unobserved and avoiding interactions with others, and remaining in continuous purchase to keep the positive feelings associated with the process. The high value of the contingent relationship-based self-esteem is in close and positive relationship with depressive attitudes and with the need for being in a relationship, and it leads to interpersonal problems. Unobserved buying and avoiding interactions indicates that the compulsive group has interpersonal problems, even if they remain unobserved, and the avoidance of interactions might indicate that compulsive buyers cannot be confronted with the feeling of inadequacy. This is associated with the need to be loved, which means that compulsive buying may originate from the need for strengthening social identity and the fear of negative feedback.

We have determined online customer groups on the basis of motivational characteristics, but we could not clearly confirm that online compulsive buyers really show clinical symptoms of compulsive buying behavior; however, more results pointed to the fact that our compulsive buyers are sensitized to online shopping. It is important to include eudemonic motivations in further investigations, and to capture the group of compulsive buyers more precisely as well as to make distinctions between different compulsive uses of online interfaces.

#### REFERENCES

- Bridges, Eileen and Renée Florsheim (2008), "Hedonic and utilitarian shopping goals: The online experience," *Journal of Business Research*, Volume 61, Issue 4, Pages 309–31.
- Collins, Linda M. and Stephanie T. Lanza (2010), "Latent class and latent transition analysis: With applications in the social, behavioral, and health sciences," New York: Wiley.
- Edwards, Elisabeth Anne (1992), "The measurement and modeling of compulsive consumer buying behavior," University of Michigan.
- Heun, Reinhard, Martin Burkart, Mark W. Maier and Per Bech (1999), "Internal and external validity of the WHO Well-Being Scale in the elderly general population," *Acta Psychiatrica Scandinavica*, 99(3), 171-178.
- Higgins, E. Tory (1997), "Beyond pleasure and pain," *American Psychologist*, 52, 1280-1300.

#### Latin America Advances in Consumer Research (Volume 4) / 53

- Hoyle, Rick H., Michael T. Stephenson, Philip Palmgreen, Elisabeth Pugzles Lorch and R. Lewis Donohew (2002), "Reliability and validity of a brief measure of sensation seeking," *Personality and Individual Differences*, 32(3), 401-414.
- Johnson, Maarit and Victoria Blom (2007), "Development and validation of two measures of contingent self-esteem," *Individual Differences Research*, 5(4), 300-328.
- Kukar-Kinney, Monica, Nancy M. Ridgway and Kent B. Monroe (2009), "The Relationship Between Consumers' Tendencies to Buy Compulsively and Their Motivations to Shop and Buy on the Internet," *Journal of Retailing*, Volume 85, Issue 3, Pages 298–307.
- Lee, Min-Young, Youn-Kyung Kim and Ann Fairhurst (2009), "Shopping value in online auctions: their antecedents and outcomes," *Journal of Retailing & Consumer Services*, 16 (1) (2009), pp. 75–82.
- Lejoyeux, Michael, Jane Ades, Valerie Tassain and Jaquelyn Solomon (1996), "Phenomenology and psychopathology of uncontrolled buying," *American Journal of Psychiatry*, 153(12), 1524-1529.
- Lockwood, Penelope, Jordan Christian H. and Kunda Ziva (2002), "Motivation by Pozitive and Negative Role Models: Regulatory Focus Determines Who Will Best Inspire Us," *Journal of Personality and Social Psychology*, vol. 83., no. 4., 854-864
- Morganosky, Michelle A. and Brenda J. Cude (2000), "Consumer Response to Online Grocery Shopping," *International Journal* of Retail and Distribution Management, 28 (1), 17–26.
- Muthén, Linda K. and Bengt O. Muthén (1998), "*Mplus User's Guide* (5th edn.)," Los Angeles, CA: Muthén and Muthén.
- Pham, Michel Tuan and Tamar Avnet (2004), "Ideals and oughts and the reliance on affect versus substance in persuasion," *Journal of Consumer Research*, 30(4), 503-518.
- Ridgway, Nancy M., Monica Kukar-Kinney and Kent B. Monroe (2008), "An expanded conceptualization and a new measure of compulsive buying," *Journal of consumer Research*, 35(4), 622-639.
- Rose, Paul (2007), "Mediators of the Association Between Narcissism and Compulsive Buying: The Roles of Materialism and Impulse Control," *Psychology of Addictive Behaviors*, 21(4), 576-581. doi:10.1037/0893-164X.21.4.576

Rosenberg, Morris (1965), "Rosenberg self-esteem scale (RSE)," Acceptance and commitment therapy. Measures package, 61.

- Sansone, Randy A., Joy Chang, Bryan Jewell and Martin Sellbom (2011), "Relationships among Shoplifting, Compulsive Buying, and Borderline Personality Symptomatology," *Innovations in clinical neuroscience*, 8(7), 10-11.
- To, Pui-Lai, Chechen Liao and Tzu-Hua Lin (2007), "Shopping motivations on Internet: A study based on utilitarian and hedonic value," *Technovation* 27, 774–787
- Villardefrancos, Estíbaliz and José Manuel Otero-López (2016), "Compulsive Buying in University Students: its Prevalence and Relationships with Materialism, Psychological Distress Symptoms, and Subjective Well-being," *Comprehensive Psychiatry*, 65, 128-135. doi:10.1016/j. comppsych.2015.11.007
- Zanarini, Mary C., A. Anna Vujanovic, Elisabeth A. Parachini, Jennifer L. Boulanger, Frances R. Frankenburg and John Hennen (2003), "A screening measure for BPD: The McLean screening instrument for borderline personality disorder (MSI-BPD)," *Journal of personality disorders*, 17(6), 568-573.

# Por Qué El Consumidor Cambia de Decisión. Evidencia Experimental Del Efecto de Mera Presentación (Why Consumer Change Their Minds: Experimental Evidence of presentation Effect)

(Why Consumer Change Their Minds: Experimental Evidence of presentation Effect) José A. Aristizabal, Fundación Universitaria Konrad Lorenz, Colombia

M. Sandoval, Fundación Universitaria Konrad Lorenz, Colombia

Pedro M y Ogallar Universidad de Jaán España

Pedro M. y Ogallar, Universidad de Jaén, España

# **DOCUMENTO DE TRABAJO**

El objetivo de este estudio fue explorar cómo la decisión del consumidor puede verse afectada por el efecto de posición si previamente se ha presentado el producto y posteriormente se muestra en un lineal comercial. Para ello se utilizó un diseño 2 x 2 factorial donde uno de los factores fue el formato de presentación del producto (secuencial vs lineal) y el otro factor es la posición (inicio vs final) de 8 tipos de botellas de aceite de oliva que se encontraban en el mercado. En la primera fase o tarea de preferencia en cada uno de los ensayos los participantes tenían que observar la botella de forma libre e individual y a continuación en la segunda pantalla, sin la presencia de la botella, tenían que emitir su juicio sobre cuál era el grado de preferencia a través de una escala del 0 al 100. En la segunda fase o elección forzada se les presentaron las 8 botellas en un lineal comercial de forma aleatorizada y los participantes debían elegir un producto de preferencia. Los resultados mostraron que los sujetos que emitieron una mayor puntuación al producto preferido entre las posiciones 1 y 4 en la primera fase, en la fase de elección forzada escogieron el mismo producto. Sin embargo, los participantes que otorgaron una mayor puntuación al producto en la primera fase entre las posiciones 5 y 8, en la segunda fase cambiaron de decisión. Demostrando así, que a mayor presentación de estímulos o productos la preferencia de los participantes puede verse afectada por el efecto de mera presentación, independientemente de las características físicas del producto, otorgando una mayor puntuación al nuevo producto en la segunda fase. Estos hallazgos permitieron establecer que la mera presentación de los productos al consumidor puede afectar su elección de preferencia cuando su evaluación se alarga en el tiempo, es decir a mayor presentación de productos a los consumidores tienen mayor probabilidad de cambiar su decisión debido al efecto de mera exposición.

#### Keywords. Evaluación de la Preferencia, elección forzada, incertidumbre, mera presentación al producto

En los últimos años el estudio del procesamiento de la información, unido al estudio sobre la toma de decisiones, ha despertado un gran interés en diversos sectores económicos, como el marketing, la publicidad y la alimentación. Las aplicaciones más frecuentes se desarrollan en el ámbito del marketing tradicional, diseño de productos y servicios, lanzamiento de campañas publicitarias, comunicación de marca, precios, branding, posicionamiento, targeting, packaging, estudio de canales y ventas.

Concretamente, el desarrollo de nuestras investigaciones se ha focalizado en el estudio de los procesos psicológicos básicos de aprendizaje, atención y memoria implicados en el procesamiento de la información desde una triple perspectiva: cognitiva, metodológica y de análisis de los mecanismos neurales que subyacen a estos procesos psicológicos básicos, tomando una perspectiva comparada tanto con seres humanos (e.g., Aristizabal, Ramos-Álvarez, Callejas-Aguilera y Rosas. 2016, 2017; Callejas-Aguilera & Rosas, 2010; León, Abad y Rosas, 2010, 2011;Paredes-Olay y Rosas, 1999), como con animales (e.g., Aristizabal, Callejas-Aguilera, Ogallar, Pellón, y Rosas, 2015; Bernal-Gamboa, Callejas-Aguilera, Nieto, y Rosas, 2013; Rosas y Bouton, 1996).

Según la propuesta teórica de partida, la teoría atencional del procesamiento contextual (TAPC, Rosas, Callejas-Aguilera et al., 2006; véase también, Rosas, García-Gutiérrez y Callejas-Aguilera, 2006), sostiene que una vez que el contexto es codificado, la recuperación de cualquier información que se aprenda en él se convertirá en dependiente del contexto, independientemente de que se trate de información ambigua o no, interferida o interferente, excitatoria o inhibitoria (c.f. Bouton, 1993; Nelson, 2002). Siguiendo este razonamiento, los efectos de cambio de contexto no sólo dependen de las características de la información, sino de las características de la situación, la cual llevará a los participantes a prestar o no atención al contexto mientras se aprende la información. Esta atención dependerá de la ambigüedad que produce la situación nueva pero no sólo de ella. Cualquier situación que favorezca la atención al contexto llevará a que la información aprendida en ese contexto se recupere con más facilidad cuando la prueba de aprendizaje se realice en el mismo contexto de aprendizaje que cuando se realice en uno distinto. En línea con lo señalado, esta teoría amplía a cinco los factores que modulan la atención al contexto, extendiéndose más allá de la ambigüedad propuesta por Bouton (1993) como factor esencial determinante de la dependencia contextual de la información extinguida: a) la ambigüedad en el significado de una clave causada por un procedimiento de interferencia (e.g., Callejas-Aguilera & Rosas, 2010; Rosas, y Callejas-Aguilera, 2006), b) la saliencia relativa del contexto (e.g., Abad, Ramos-Álvarez y Rosas, 2009), c) el valor informativo del contexto (e.g., León et al., 2010), d) la experiencia con el contexto (e.g., León et al., 2010, 2011) y, e) las instrucciones en participantes humanos (e.g., Callejas-Aguilera, Cubillas, y Rosas, 2015).

Teniendo en cuenta la importancia de estas variables dentro de las investigaciones de la conducta del consumidor hay una acuerdo tácito de que la ambigüedad que se produce durante los primeras presentaciones de los productos al consumidor, estos le prestan atención a todos lo estímulos que están a su alrededor como por ejemplo el contexto, por lo que este proceso es de gran importancia en la formación de preferencias, debido a que esta incertidumbre produce un nuevo aprendizaje y los sujetos recuerdan esta información como dependiente del contexto debido al efecto de ambigüedad, pero una vez que avanza la presentación de los productos o estímulos en sucesivas presentaciones se reduce la competición entre las características y va disminuyendo la ambigüedad o incertidumbre. Sin embargo, aunque este efecto se reduzca aparece otro efecto como es el de mera presentación, que se refiere a una presentación repetida de estímulos que es suficiente para que las personas aumenten o disminuyan sus respuestas hacia dicho objeto (Zajonc, 1986). Sobre este efecto se han encontrado estudios que a medida que avanza la presentación de los productos fomentan una valoración favorable hacia un producto o marca (e.g., Janiszewski, 1993). Pero, también se han encontrado estudios que ponen en duda que este mecanismo de exposición sea el responsable de la formación de preferencias positivas hacia la marca o productos (e.g., Cohen y Areni, 1991).

### **OBJETIVOS E HIPÓTESIS.**

Por lo tanto tal y como se avanzaba en apartado previo, el objetivo de este estudio fue explorar el procesamiento atencional de la información que se presenta en participantes humanos en una situación de consumo. En la cual la mera presentación del producto puede afectar la formación de preferencias por parte del consumidor. De acuerdo con los resultados previos, el procesamiento de la información que reciben los distintos estímulos en una situación de aprendizaje será el máximo al comienzo de la situación de consumo. A partir de ahí, cuando avanza la presentación de varios estímulos o productos la preferencia puede verse afectada por el efecto de mera presentación independientemente de las características físicas del mismo.

De esta forma, el primer objetivo específico es replicar el efecto de ambigüedad del producto en la formación de preferencias de los participantes (Aristizábal, et al., 2016; Bouton, 1993).

El segundo objetivo específico fue evaluar si el efecto de mera presentación relacionado con la posición en la cual es presentado el producto, afecta la preferencia del participante sobre el producto ya sea a nivel positivo o negativo.

Para lograr los objetivos propuestos se realizó un estudio experimental en el que se procedió a un entrenamiento corto con una tarea de evaluación de aprendizaje de preferencias en humanos.

# MÉTODO

#### **MUESTRA**

En este experimento participaron 16 estudiantes de la Universidad de Jaén (España) con una edad comprendida entre los 18 y los 45 años y sin experiencia previa con la tarea. Los participantes recibieron una pequeña compensación académica por su participación.

#### **PROCEDIMIENTO Y ESTIMULOS**

Los participantes en el experimento realizaron la tarea en cabinas individuales. Cada puesto estaba equipado con un ordenador Pentium y una pantalla de 1280 x 800 pixeles donde fue presentada la tarea. Para su implementación se utilizó la el software Eprime 2.0 versión profesional (Psychology Software Tools Inc:<u>www.psnet.</u> <u>com</u>).

Como estímulos se emplearon 8 botellas reales de aceite de oliva. Cada uno de los ensayos durante el entrenamiento se compuso de 4 pantallas que se presentaban de manera secuencial: la pantalla inicio de evaluación, donde se le presentaba un mensaje que contenía "evalúa el producto que se te presentará a continuación" que se mantenía fijo en pantalla hasta que el participante pulsaba en el botón de continuar que se encontraba en la parte inferior de la pantalla. A continuación, aparecía la pantalla de presentación del producto, en la que el participante tenía un tiempo libre para evaluar el producto. Finalmente, en la última pantalla se le presentaba una frase en el centro de la pantalla "Indica el grado de satisfacción o preferencia sobre el producto. Debajo de esta frase aparecía una escala de 0 a 100, compuesta por 21 botones de color verde. Cada botón contenía un número de la escala a intervalos de 5. En la parte superior de la escala, y de manera equidistante, aparecían las etiquetas: "nada", "poco", "bastante", y "mucho", escritas en color negro. Una vez finalizado el entrenamiento, en la fase 2 o de elección forzada) se le presentaba en una sola pantalla en forma de lineal comercial el total de las 8 botellas previamente evaluadas. Los sujetos tenían emitir un juicio de preferencia sobre la botella, en otras palabras, escoger la botella preferida.

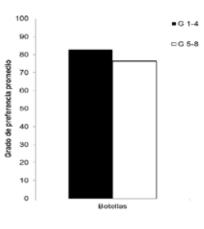
#### Variable dependiente

**Tarea de evaluación en escala:** En esta fase se registraron los juicios de preferencia en cada ensayo de forma secuencial para las 8 productos a través de una escala de preferencia tipo likert del 0 al 100 donde 0 es nada y 100 mucho (nada, poco, bastante mucho).

**Tarea de elección forzada.** Durante la segunda fase o prueba se le pedia a los sujetos que eligieran un producto de los presentados en la fase de evaluacion en escala y estos eran presentados en forma de lineal comercial aletorizada.

#### **RESULTADOS PRELIMINARES**

Se realizó un análisis de los juicios de preferencia promedio para cada uno de los 8 ensayos durante la fase evaluación de escala. Igualmente se analizó la preferencia sobre el producto cuando se presentaba en un lineal comercial en una tarea de elección forzada. Finalmente para un análisis más específico se analizó cada juicio del participante para cada producto en la fase de evaluacion de escala, considerándose cuál fue el producto con mayor puntación entre las 8 botellas. De acuerdo a esto durante la tarea de evaluacion en escala los resultados mostraron que en los primeros ensayos de presentacion las valoraciones promedio de preferencia de los participantes entre las posiciones 1-4 fueron mayores que las presentadas entre las posiciones 5-8. Es decir, se presentaron puntaciones más altas en las primeras posiciones con respecto a la valoracion de las botellas que se encontraban entre las posiciones 5-8. (*Véase*, figura 1)

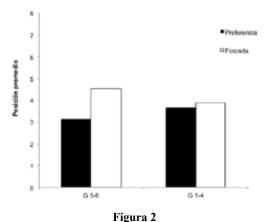


### Figura 1

Juicios de preferencia promedio durante la fase secuencial

*Nota.* La figura representa los juicios o elección promedios emitidos por los participantes durante la tarea de evaluacion de preferencia de las botellas de aceite oliva que se presentaron de forma secuencial y aleotorizada. G 1-4 se refiere al grupo de sujetos que emitieron una mayor valoración a las botellas que se encontraban entre la posición 1 y 4 de la presentación secuencial. G 5-8 refiere al grupo de sujetos que emitieron una mayor puntacion a las botellas que se encontraban entre la posición en las últimas posiciones 5-8 de la presentación secuencial.

Teniendo en cuenta lo anterior, lo interesante de este estudio radica en el análisis de la preferencia cuando se compara el producto elegido en la tarea de eleccion forzada con el producto que obtuvo mayor valoración durante la tarea de valoracion en escala. Los resultados mostraron que los sujetos que otorgaron una puntación mayor a los productos encontrados entre las posiciones 1-4 en la tarea de valoracion, en la la tarea de eleccion forzada volvieron a escoger ese mismo producto aunque el producto estuviera en diferente posicion, es decir, no cambiaron de decisión. Sin embargo, los sujetos que emitieron una mayor puntuación a los productos presentados entre la posición 5-8 en la tarea de valoracion de escala, en la tarea de eleccion forzada cambiaron de decisión, escogiendo otro producto diferente. (*Véase*, Figura 2)



Comparación entre posiciones promedio durante la tarea de evaluacion de escala vs eleccion forzada.

*Nota.* G 1-4 se refiere al grupo de sujetos que en la fase de evaluacion de escala eligieron las botellas con mayor puntuación entre las posiciones 1 y 4. G 5-8 se refiere al grupo de sujetos que en la tarea de evaluacion eligieron las botellas con mayor puntuación entre las posiciones 5 y 8, y que durante la fase de elección forzada aunque la presentación estuviera aleatorizada las posiciones escogidas fueron diferentes a las elegidas en la fase de preferencia, escogiendo otro tipo de botellas en diferentes posiciones.

#### **DISCUSIÓN BREVE**

Estos resultados preliminares nos muestran cómo la mera presentación o preexposición a los productos produce un cambio en la preferencia de los participantes independientemente de las características físicas del producto. Debido a que según las teorías de procesamiento de la información al inicio del entrenamiento los participantes le prestan atención a todas las características del producto, donde al inicio de la tarea la situación es ambigua (Aristizabal, et al., 2016, 2017; Bouton, 1993; Callejas-Aguilera y Rosas, 2010; León, et al., 2010). Una vez que avanza la presentacion de los productos el efecto de incertudumbre desaparece, apareciendo el efecto de mera presentación en el que una simple presentación de un producto es suficiente para que los sujetos disminuyan su preferencia por dicho estímulo, dado que a medida de que avanza la presentación con otros estímulos la decisión puede verse afectada cambiando la eleccion de producto, (Véase, Zajonc, 1968). Corroborando que la mera exposicion de un producto fomentan en este caso un actitud desfavorable hacia el producto en el consumidor una vez que desaperece el efecto de incertidumbre.

El efecto de incertidumbre se observa al inicio de la tarea cuando los sujetos le otorgan una puntación mayor a los productos encontrados entre las posiciones 1-4 en la tarea de valoración, y una vez que avanza la presentación la puntuación disminuye, reduciéndose también el efecto de ambigüedad y apareciendo el efecto de mera exposición. Este efecto se observa en los sujetos que emitieron una mayor puntuación a los productos presentados entre las posiciones 5-8 en la tarea de valoración de escala, y en la tarea de elección forzada cambiaron de decisión, escogiendo otro producto diferente.

De esta manera los resultados pueden ayudar a mejorar los procesos de presentación de productos al consumidor, ya sea a nivel de evaluación de productos o su comercialización final. Por ejemplo, cuando se presentan un sin número de comerciales de TV con una secuencia concreta, los primeros comerciales que se encuentran entre las posiciones 1-4, tienen mayor probabilidad de ser mejor valorados por los consumidores, debido a que al inicio se le presenta más atención a todos los estímulos que están alrededor del producto y evita que el efecto de mera presentación aparezca, ya que posteriormente cuando se le solicita al sujeto que elija un producto utilizado en otro formato de presentación, es mas probable que elija el mismo producto preferido inicialmente. Igualmente, se puede utilizar estos resultados cuando se evalúan productos antes de salir al mercado, dado que si durante un fase de evaluación de productos se presentan sin un control del número de presentaciones, la evaluación puede verse afectada por el efecto de mera exposición, por tanto la secuencia de presentación debe ser corta y estar determinada por bloques de ensayos con pocas presentaciones.

#### REFERENCIAS

- Abad, M. J. F., Ramos-Álvarez, M. M., & Rosas, J. M. (2009). Partial reinforcement and context switch effects in human predictive learning. *Quarterly Journal of Experimental Psychology*, 62, 174-199.
- Aristizabal, J. A., Callejas-Aguilera, J. E., Ogallar, P. M., Pellón, R.
  & Rosas, J. M. (2015). Context Specificity of Extinguished Schedule-Induced Drinking and Magazine Behavior within an ABA Renewal Design in Rats. *Psicológica*, 36, 337-366
- Aristizabal, J. A., Ramos-Álvarez, M. M., Callejas-Aguilera, J. E., & Rosas, J. M. (2016a). Attention to irrelevant contexts decreases as training increases: Evidence from eye-fixations in a human predictive learning task. *Behavioural Processes*, 124, 66–73. http://doi.org/10.1016/j.beproc.2015.12.008
- Aristizábal, J. A., Ramos-Álvarez, M. M., Callejas-Aguilera, J. E., & Rosas, J. M. (2017). Context-switches after Short Acquisition lead to an increase on Attention to the Context in a Human Predictive Learning Task. *Manuscript submitted under review*.
- Bernal-Gamboa, R., Callejas-Aguilera, J. E., Nieto, J., & Rosas, J. M. (2013). Extinction makes conditioning time-dependent. Journal of Experimental Psychology: *Animal Behavior Processes*, 39, 221.
- Bouton, M. E. (1993). Context, time, and memory retrieval in the interference paradigms of Pavlovian learning. *Psychological Bulletin*, 114, 80-99.
- Callejas-Aguilera, J. E., Cubillas, C. P., & Rosas, J. M. (2015). Attentional instructions modulate differential context-switch effects after short and long training in human predictive learning. *Manuscript in preparation*.
- Callejas-Aguilera, J. E., & Rosas, J. M. (2010). Ambiguity and context processing in human predictive learning. *Journal of Experimental Psychology: Animal Behavior Processes*, 36, 482-494.
- Cohen, J.B. y Areni, C.S. (1991). Affect and Consumer Behavior. En T. S. Robertson y H. H. Kassarjian (Eds.). *Handbook of Consumer Research*. Prentice Hall.
- Janiszewski, C. (1993). Preattentive mere exposure effects. *Journal* of Consumer Research, 20, 376-392.
- León, S. P., Abad, M. J. F., & Rosas, J. M. (2010). The effect of context change on simple acquisition disappears with increased training. *Psicológica*, 31, 49-63.
- León, S. P., Abad, M. J. F., & Rosas, J. M. (2011). Context outcome associations mediate context-switch effects in a human predictive learning task. *Learning and Motivation*, 42, 84-98.

Nelson, J. B. (2002). Context specificity of excitation and inhibition in ambiguous stimuli. *Learning and Motivation*, 33, 284-310.

- Paredes-Olay, C., & Santos, J. M. R. (1999). Within-subjects extinction and renewal in predictive judgments. *Psicológica: Revista de metodología y psicología experimental*, 20, 195-210.
- Rosas, J. M. & Bouton, M. E. (1996). Spontaneous recovery after extinction of a conditioned taste aversion. *Animal Learning* and Behavior, 24, 34-348.
- Rosas, J. M., & Bouton, M. E. (1998). Context change and retention interval have additive, rather than interactive, effects after taste aversion extinction. *Psychonomic Bulletin and Review*, 5, 79-83.
- Rosas, J. M., & Callejas-Aguilera, J. E. (2006). Context switch effects on acquisition and extinction in human predictive learning. *Journal of Experimental Psychology: Learning, Memory and Cognition*, 32, 461-474.

- Rosas, J. M., Callejas-Aguilera, J. E., Ramos-Álvarez, M. M., & Abad, M. J. F. (2006). Revision of Retrieval Theory of Forgetting: What does Make Information Context-Specific? *International Journal of Psychology and Psychological Therapy*, 6, 147-166.
- Rosas, J. M., García-Gutiérrez, A., & Callejas-Aguilera, J. E. (2006). Effects of context change upon first and secondlearned information in human predictive learning. *Psicológica*, 27, 35-56.
- Zajonc, R.B. (1968). Attitudinal effects of mere exposure, *Journal* of Personality and Social Psychology. Monograph, 9, 1-28.

## International Marketing Strategies: The Case of Colombian Small and Medium Enterprises

Ana Maria Parente-Laverde, Universidad de Medellín, Colombia Juan Lucas Macias, Universidad de Medellín, Colombia

### EXTENDED ABSTRACT

Internationalization of Small and Medium Enterprises (SME's) has been deeply analysed in the business field focusing on two different streams. The first is the "global or progressive approach" (Johanson & Vahlne, 1977), (Cavusgil, 1980); the second is the "International new venture approach" also known as Born Global Companies (BGC) presented by Oviatt & McDougall (1994) and Matiusinaite & Sekliuckiene (2013), Matiusinaite, et al. (2015).

Previous research, has been developed focusing on large firms, it is rare that studies focus on international marketing strategies of SME's (Gabrielsson & Gabrielsson, 2003). This research has used large firms and concentrated mainly in standardization and adaptation strategies and its relation with performance, a consensus has not been made in terms of this relation (Brei, D'Avila, Camargo & Engels, 2011). Market orientation can impact organizational performance, customer and employee behaviour and innovation (Kohli & Jaworski 1990), (Narver & Slater 1990), (Narver, Slater, & MacLachlan, 2004), (Kira, H. et al., 2016). This is study aims to include an additional element: international performance.

The latest research on the topic has focused in a contingency perspective, pointing that the international marketing strategy has to be constructed from the analysis of the degree of adaptation needed for each market, depending on companies' resources, commitment level, international experience, market demand, industry competitiveness, regulations and technology (Alimiene, Kuvykaite, 2008).

#### **PROPOSED HYPOTHESES**

- Hypothesis 1 The higher the degree of marketing strategies adaptation, the better the export performance for SME's.
- *Hypothesis 1a* The higher the degree of product adaptation, the better the export performance for SME's.
- Hypothesis 1b The higher the degree of price strategy adaptation, the better the export performance for SME's.
- Hypothesis 1c The higher the degree of promotional activities adaptation, the better the export performance for SME's.
- Hypothesis 2 A greater market orientation in the international market generates a better export performance for SME's.

#### **METHODOLOGY**

The following study follows the structure of an analytical research using the scales: (1) *Export performance:* developed by Zou et al. (1998); (2) *Market orientation*: developed by Narver & Slater (1990) and validated by Deshpande and Farley (1996) and Ospina & Pérez (2013); and (3) *Adaptation:* Using the developed the STRAT-ADAP scale built by Lages et al. (2008).

In order to analyze the relation between the three concepts, exporters' data from Colombian SME's<sup>1</sup> was collected from  $DIAN^2$  data base. Online surveys were sent by e-mail to 2.000 companies approximately, obtaining only 70 valid answers.

#### RESULTS

Regarding export performance, the results show that for SME's, exports has been a successful and profitable venture, and companies have increased their competitiveness, they also indicate that exports activities have not increase their global market share, due to the size of the company, their offer, and resources capacity.

In the product strategy, Colombian SME's are implementing a standardization strategy. Product features, quality, brand and warranty are standard in international markets; this is the consequence of lacking financial capacity, international experience, and similar consumption patterns. Regarding price, there is a tendency to adapt it, due to international currency fluctuations and tariffs. In the promotional strategy, there's no inclination towards adaptation or standardization, this elements are highly affected by the distribution channels and the financial capability, for this reason further research needs to be done. Regarding place strategy, SME's seem not to be oriented towards the markets, this could have a negative impact on the operationalization and implementation of marketing strategies, and affect their internationalization expansion and performance (Ospina & Pérez, 2013).

Hypothesis H1, H1a, H1b, H1c, are rejected because results show a weak relationship between the analysed elements of the marketing mix (see table 1), concluding that in this case a higher degree of adaptation in the marketing mix will represent a better export performance of Colombian SME's. This results prove the thesis of the contingency theory, claiming that neither standardization or adaptation are the key for international success, rather than a mix both strategies and approaches to foreign markets are valid. The results show that in terms of H2 there is a weak correlation between market orientation and export performance (see table 1), it may demonstrate that if a company is successful in the process of applying marketing strategies it may have a positive effect on the performance on international marketing; therefore H2 is accepted.

	Export performance/ Price variables	Export performance/Product variables	Export performance/Promotion variables	Export performance/ Market orientation
Correlation coefficient	0,081	-0,10	0,095	0,342
Bilateral significance	0,517	0,934	0,444	0,005

 
 Table 1. Correlation of export performance and adaptation of the marketing mix.

Source: Own elaboration.

1 According to the Colombian government an SME is a middle and small Company that has assets between 500 and 30.000 minimum wages or employees between 11 and 200 people.

2 Colombian agency in charge of customs and duties, DIAN: Spanish acronym: "Dirección de Impuestos y Aduanas Nacionales". This study reaffirms the importance of the contingency theory, there is no single formula to a successful export performance of Colombian SME's, a deep understanding of the market and the companies 'marketing strategies is needed to have a proper expansion process abroad. It also confirms that companies oriented to the market may have a better export performance, even though further research needs to be done.

#### REFERENCES

- Brei, V. A., D'Avila, L., Camargo, L. F., & Engels, J. (2011). The influence of adaptation and standardization of the marketing mix on performance: A meta-analysis. *BAR - Brazilian Administration Review*, 8(3), 266–287. http://doi.org/10.1590/ S1807-76922011000300004
- Johanson, J., & Vahlne, J.-E. (1977). The Internationalization Process of the Firm-A Model of Knowledge Development and Increasing Foreign Market Commitments Author (s): Jan Johanson and Jan-Erik Vahlne Source : Journal of International Business Studies, Vol. 8, No. 1 (Spring - Summer. Journal of International Business Studies, 8(1), 23–32.
- Kira, H., A., Jayacgandra, S., & Bearden O, W. (2016). Market Orientation : A Meta-Analytic Review and Assessment of Its Performance. *American Marketing Association*, 69(2), 24–41.

#### Latin America Advances in Consumer Research (Volume 4) / 59

- Kohli, A. K., & Jaworski, B. J. (1990). Market Orientation: The Construct, Research Propositions, and Managerial Implications. *Journal of Marketing*, 54(2), 1–18. http://doi. org/10.2307/1251866
- Matiusinaite, A., & Sekliuckiene, J. (2013). Factors determining early internationalization of entrepreneurial SMEs: Theoretical approach. *International Journal of Business and Economic Sciences Applied Research*, 8(3), 21–32.
- Narver, J. C., & Slater, S. F. (1990). The Effect of a Market Orientation on Business Profitability. *Journal of Marketing*. http://doi.org/10.2307/1251757
- Narver, J. C., Slater, S. F., & MacLachlan, D. L. (2004). Responsive and proactive market orientation and new-product success. *Journal of Product Innovation Management*, 21(5), 334–347. http://doi.org/10.1111/j.0737-6782.2004.00086.x
- Ospina, J. M., & Pérez, G. (2013). A Measure of Market Orientation: Development and Validation in a Different Cultural Context. *Revista Innovar*, 23(49), 41–49. Retrieved from http://search.ebscohost.com.ezproxy.liv.ac.uk/login. aspx?direct=true&db=bth&AN=59386964&site=edslive&scope=site
- Oviatt, B. M., & McDougall, P. P. (1994). Toward a Theory of International New Ventures. *Journal of International Business Studies*, 25(1), 45–64.

## The Decision Making Process of Individual Credit Buying: an Analysis of the Effect for the Payment Conditions, Type of Product and Individual Differences

Frederike Monika Budiner Mette, ESPM Sul, Brazil Celso Augusto De Matos, UNISINOS, Brazil Simoni Fernanda Rohden, UNISINOS, Brazil

## EXTENDED ABSTRACT

The present research carried out a study about decision making process that occurs in the context of the individual credit buying, from theories and studies of economic psychology and consumer behavior. The main objective was to verify the effect that the type of product and payment conditions have in the decision-making process of credit purchasing. During the research it was sought to recognize if changing the type of product (from hedonic to utility) and the payment conditions (with or without discount and interest rate) there would be a change in the propensity of credit purchasing. Therefore, it aimed to identify how rational and behavioral variables influenced the individual decision. Also it was intended to observe if people with the same characteristics maintain or not their payment decision in each scenario. Finally, it was asked which variables are used to better explain the credit purchase decision.

The role of marketing and economic psychology in the consumer decision-making process was discussed based on the theory of Kamleitner, Hoelzl and Kirchler (2012) that pointed the credit consumption a cognitive process. Therefore, the individual differences would assume an explanatory power that was used as moderator of the main effect. The method used was experimental carried out by three experiments in order to test the hypotheses constructed.

In Experiment 1 with 8 experimental groups and a sample of 279 people it was identified that there has a negative effect on the credit buying propensity where there is a discount, regardless of the income term. If there is no discount the buying intention increases. In addition, it was concluded that individuals who exhibit high materialism and impulsivity tend to buy more. Analyzing the scenarios it was obtained the same results for the interactions of materialism and impulsivity. For the financial knowledge the same results were found to the discount increasing the credit buying regardless of the payment condition.

The results validated many studies such as de Brougham et al (2011) and Ponchio (2007) considering that individuals with high materialism and impulsivity tend to buy more in the long term differently from those with high financial knowledge, as suggested by Gathergood (2012).

In Experiment 2 with 8 experimental groups and 314 respondents the data collected was similar to the first one, modifying some manipulations. As results for discount situations, the lower tends to be the propensity to credit buying. In addition, it has been proved that the type of product has an effect on the purchase in installments.

Subsequently a third experiment was carried in order to evaluate the main effect of the type of product in the forward buying intention. It was aimed, through the manipulation of two new products in utilitarian or hedonic characteristics, to analyze how the type of product influences the main effect on the propensity to buy in the long term. It was perceived a cross-effect to product and the type of product, so the hedonic computer presented a higher average of choice of credit payment option while the lower average occurs with a utilitarian book. So in situations where the type of product is hedonic larger are the variations in the intention to buy the product than when it is utilitarian.

Therefore, from the above findings, it was concluded that the interaction of the factors related to individual differences have greater influence on consuming decisions potentialized by the expected effects, and only manipulations of payment conditions or types of products. In that way the individual differences have the power to inflate the decision of credit purchasing.

Firstly, the most obvious theoretical contribution was to the studies of credit purchase decision-making and possible factors that come before indebtedness. In this way, it was concluded that the presentation of the discount or not can strongly influence their credit purchase intention, as well as high levels of materialism and impulsivity, which may or may not intensify the purchase intention. In addition, it was perceived that the type of product also has an effect on the purchase intention and the utility product tends to increase such propensity, as well as financial knowledge, which reduces the intention to a credit payment.

- Bolton, Lisa E; Bloom, Paul N., E Cohen, Joel B. (2011). "Using Loan Plus Lender Literacy Information to Combat One-Sided Marketing of Debt Consolidation Loans." *Journal of Marketing Research*, 48, (Special Issue 2011), S51-S59.
- Bolton, Lisa E; Cohen, Joel B., E Bloom, P. N. (2006). "Does marketing products as remedies create "get out of jail free cards?" *The Journal of Consumer Research*, 33(1), 71–81.
- Brougham, R.R., Jacobs-Lawson, J.M., Hershey, D.a. And Trujillo, K.m. (2011). "Who Pays Your Debt? An Important Question for Understanding Compulsive Buying in College Students." *International Journal of Consumer Studies*, 35, 79-85.
- Gathergood, J. (2012). "Self-Control, Financial Literacy and Consumer Over-Indebtedness." *Journal of Economic Psychology*, 33(3), 590-602.
- Kamleitner, B; Hoelzl, E; Kirchler, E. (2012): "Credit use: Psychological perspectives on a multifaceted phenomenon." *International Journal of Psychology*, 47(1), 1-27.
- Ponchio, M. C., Aranha, F., Todd, S. (2007). "Estudo exploratório do materialismo no contexto de consumidores de baixa renda no município de São Paulo." *Revista Gerenciais*, 6(1), 13-21.

## **Engagement – Experiencing Magic in the C2C Online Auction**

Eathar Abdul-Ghani, Auckland University of Technology, New Zealand Kenneth F. Hyde, Auckland University of Technology, New Zealand Roger Marshall, Auckland University of Technology, New Zealand

### **EXTENDED ABSTRACT**

Consumer-to-consumer online auction experiences have become part of the daily lives of many consumers. Millions of consumers worldwide participate in C2C online auctions to browse, compete, win, buy, and sell goods. There appears something in the online auction experience that is especially engaging and drives ongoing use by many consumers. Research has yet to fully explain what consumer engagement is; an understanding of consumer experiences may help in this regard.

The experiences of the consumer in a C2C marketplace such as an online auction include experiences of the consumer as both a buyer and a seller (Belk, Sherry, & Wallendorf, 1988; Lastovicka & Fernandez, 2005; Lee, Kim, & Fairhurst, 2009). The consumer's online auction experience includes activities before, during, and after interaction with the auction site. Prior to going online, the consumer as seller prepares the goods for sale and decides on a promotional strategy (Chu, 2013). The consumer as buyer may have purchase priorities such as finding the perfect gift for a loved one that preempt their participation in the auction. Anticipated emotions, such as anticipated elation, may play a role in these auction experiences (Sierra & Hyman, 2011). While logged in to the auction site, the consumer as buyer or seller may experience the excitement of bids escalating and buyers competing for possession of an item (Chang & Chen, 2015). After the auction has closed, buyers and sellers communicate with each other and perhaps meet and socialise, sharing common interests (Chu, 2013). Something about the consumer's online auction experience appears to drive consumer engagement with that experience.

A phenomenological enquiry was undertaken with a sample of C2C online auction users, to gain insights into the essence of engagement and the role experiences play as the basis of consumer engagement with the C2C online auction experience.

This research adopted an experiential view of the consumer (Hirschman & Holbrook, 1982; Holbrook & Hirschman, 1982). The experiential view is not constrained to just considering acts of purchase but considers all experiences of the consumer, including pre-purchase and post-purchase experiences, and interactions with other consumers (Arnould, Price, & Zinkhan, 2002). As the underlying context for this research is consumer-to-consumer interactions, with minimal interaction with the firm or the brand, the experiential view provides an appropriate basis for understanding consumer engagement in this context (Caru & Cova, 2003).

A phenomenological enquiry was undertaken. The researcher sought to interview consumers in-depth, one-on-one, about their idiosyncratic experiences with online auctions and the role engagement might play in their auction use. A purposive sample of 17 online auction users was recruited for interviewing, representing both genders, a mix of ages from the twenties to the seventies, and a variety of years of experience in the use of auction sites. After 17 interviewes, no substantially new information was obtained from interviewees; theoretical saturation was reached (Glaser & Strauss, 1967). All interviewees were residents of Auckland, New Zealand and users of the Trade Me auction site.

Interviewees' stories were narrative accounts that provided a rich description of some of their memorable, lived, subjective experiences relating to online auction use (Lopez & Willis, 2004). The narratives were examined with a descriptive phenomenological approach to analysis. Descriptive phenomenology seeks an objective account of consumers' experiences and perceptions free from researcher bias (Dowling, 2004). Descriptive phenomenological analysis proceeds by first examining each consumer individually, and seeks to understand the significance of experiences for that individual. Analysis then seeks to describe the common meanings a group of consumers who experience the phenomenon have, in other words, to describe the 'essence' of a phenomenon (Creswell, 2013; van Manen, 1997).

Eleven research participants related stories of their auction experiences. In this paper, two examples of rich stories are presented and analysed. Each story concludes with an intrapersonal analysis of why the experience is meaningful for that individual, and why the experience might be a basis for this individual's engagement.

An experiential view of the consumer emphasises the importance of examining consumer experiences as a worthy subject of research in its own right; that is, experiences are central to a consumer's life and thus should be studied. This research shows how consumer experiences can play a key role in shaping consumer engagement.

The phenomenological analysis of consumers' stories of their auction experiences helped understand what typical online auction experiences are and why remembered, valued experiences are important; helped understand the essence of consumer engagement, and why online auction users become engaged. The phenomenological analysis revealed the basis of consumer engagement is the rewarding auction experiences of interviewees.

The essence of engagement derived from these stories is that engagement appears to be about being emotionally connected with the auction experience ("I love it so much"), identifying with the experience ("it's a big part of me now"), being highly interested ("it captured my interest"), passionate ("I am passionate"), motivated ("it's motivating to have a look on there all the time") and enthusiastic to repeat the auction experience ("so I'm enthusiastic and that's why I know I'll use it again"). It all begins with a magical experience!

The research makes a theoretical contribution to knowledge by suggesting the dimensions of engagement in a C2C context. The research also proffers consumption value as a potential mediator explaining the relationship between experiences and engagement. Further research will quantify measures of experience, value and engagement in a C2C context, and test the relationships between these constructs quantitatively.

- Arnould, E., L. Price, and G. Zinkhan (2002), *Consumers*. New York, NY: McGraw-Hill.
- Belk, R. W., J. F. Sherry, and M. Wallendorf (1988), "A naturalistic inquiry into buyer and seller behavior at a swap meet," *Journal* of Consumer Research, 14, 449-470.
- Caru, A., and B. Cova (2003), "Revisiting consumption experience: A more humble but complete view of the concept," *Marketing Theory*, 3(2), 267-286.
- Chang, C.-C., and C.-W. Chen (2015), "Examining hedonic and utilitarian bidding motivations in online auctions: Impacts of time pressure and competition," *International Journal of Electronic Commerce*, 19(2), 39-65.

#### 62 / Engagement – Experiencing Magic in the C2C Online Auction

- Chu, H. (2013), "A conceptual model of motivations for consumer resale on C2C websites," *The Service Industries Journal*, 33(15-16), 1527-1543.
- Creswell, J. W. (2013), *Qualitative inquiry & research design: Choosing among five approaches* (3rd ed.). Thousand Oaks, CA: Sage.
- Dowling, M. (2004), "Hermeneutics: An exploration," *Nurse Researcher*, *11*(4), 30-39.
- Glaser, B. G., and A. L. Strauss (1967), *The discovery of grounded theory*. Chicago: Aldine.
- Hirschman, E. C., and M. B. Holbrook (1982), "Hedonic consumption: Emerging concepts, methods and propositions," *Journal of Marketing*, 46(3), 92-101.
- Holbrook, M. B., and E. C. Hirschman (1982), "The experiential aspects of consumption: Consumer fantasies, feelings, and fun," *Journal of Consumer Research*, 9(2), 132-140.

- Lastovicka, J. L., and K. Fernandez (2005), "Three paths to disposition: The movement of meaningful possessions to strangers," *Journal of Consumer Research*, *11*, 813-823.
- Lee, M.-Y., Y. K. Kim, and A. Fairhurst (2009), "Shopping value in online auctions: Their antecedents and outcomes," *Journal of Retailing and Consumer Services, 16*, 75-82.
- Lopez, K. A., and D. G. Willis (2004), "Descriptive versus interpretive phenomenology: Their contributions to nursing knowledge," *Qualitative Health Research*, 14(5), 726-735.
- Sierra, J. J., and M. R. Hyman (2011), "Outlet mall shoppers' intentions to purchase apparel: A dual-process perspective," *Journal of Retailing and Consumer Services, 18*, 341-347.
- van Manen, M. (1997), *Researching lived experience: Human* science for an action sensitive pedagogy. London, Ontario, Canada: The Althouse Press.

## "Olha Pro Céu, Meu Amor":

## Living the 'Sertão' through a Service Experience in an Interactive Museum

João Henriques de Sousa Junior, Universidade Federal de Pernambuco, Brasil Bianca Gabriely Ferreira, Universidade Federal de Pernambuco, Brasil Maria de Lourdes de Azevedo Barbosa, Universidade Federal de Pernambuco, Brasil Francisco Vicente Sales Melo, Universidade Federal de Pernambuco, Brasil Salomão Alencar de Farias, Universidade Federal de Pernambuco, Brasil

#### **EXTENDED ABSTRACT**

Evolutions in the concept of marketing, especially with regard to the return of the concept of exchanges - not necessarily monetary - as central proposition, provided changes in consumers' behavior and contributed to the emergence of new consumer relations. In this scenario, experiential marketing emerges from the view that individuals make decisions based on their experiences and expectations. Tools such as technology have provided greater interaction and have facilitated the emergence of many of these changes, and so various organizations and sectors have sought to adapt to these new developments. The service sector is one of those who has understood the most this new perception of consumers and, from this new reality, interactive museums have emerged, allowing the visitor an environment where they have more autonomy and feel more inserted experiences. Given that the consumer seeks more and more extraordinary experiences and experiences situations that go beyond of what he is already used to (Barbosa, Souza, Kovacs, & Melo, 2011), new technologies play an important part in the contribution and popularization of marketing experiences, giving consumers greater possibility of interaction between the real and the virtual, for example (McWilliam, 2000). Thus, Mondo, Silva and Martins (2016) emphasize the importance of museum services as spaces with a social function to enable knowledge, experience and transformation for the population and not only as memorial houses providing moments of learning and fun at the same time. Based on this perception, the present study sought to analyze the consumption experience of visitors of Cais do Sertão Museum, characterized as an interactive museum, located in the neighborhood of Recife Antigo, a tourist attraction in the city of Recife, in Pernambuco. This museum was voted the 18th best in South America by the TripAdvisor trip portal (2015), it has, in its collection, the historical and cultural richness of the northeastern backlands, as well as the work of the singer and composer from Pernambuco, Luiz Gonzaga. In order to carry out this analysis, a qualitative case study was conducted in November 2016, based on semi-structured interviews with eleven visitors to the museum, in which the questions refer to the dimensions proposed by Mondo (2014) in the TOUROUAL model, which are: access, environment, human element, safety, technical quality and experience. This model was qualitatively and quantitatively tested and validated and has the objective of deepening the perception of satisfaction in the evaluation of the quality of services in tourist attractions using the six basic characteristics mentioned above, which, subdivided, are presented in twenty-six indicators. Seven women and four men were interviewed, the majority of the respondents being single, with complete higher education, with a minimum age of 18 years and a maximum of 29 years. Based on the respondents' statements, all the categories presented by Mondo (2014) were identified, and the dimensions of human element and safety were presented in lesser degrees of relevance, which is justified by the fact that the respondents did not affirm that they did not follow any official or guide within the museum space and also did not pay attention to the presence of security or safety signs in the environment. Only one respondent said he saw the museum as a security concern and had noticed the presence of a security guard, a firefighter, emergency exit signs and fire extinguishers. Both aspects can be understood from the concept of interactive museum, since, according to the academic literature, the environment for this type of museum is all designed so that the individual feels free to do the course, therefore not urging for, the company of a museum official, because from the freedom and autonomy of the visitor to go treading his route inside the museum, he can go having his own discoveries and living their experiences. In terms of access, there was much praise from the respondents, although they did not identify the presence of access for wheelchair users to reach the first floor. Regarding the environment, technical quality and experience, all of them said they found a pleasant and comfortable environment, with a lot of beauty, digital interactivity, mixing with the old and the northeastern culture, a lot of creativity and emotion for their visitors. Thus, the statements affirmed having had their expectations reached or exceeded, which generated satisfaction in all the respondents. After analyzing the results, it is possible to conclude that interactive museums have become a pleasant service to consumers because they have elements strategically thought to be able to please the visiting public. In the case of Cais do Sertão Museum, specifically, the whole technological apparatus and the real possibility of interaction with the exhibited pieces creates unique experiences in its visitors bringing satisfaction to those who know it. A final point to emphasize is that interactive museums seek to offer a pleasant and comfortable environment to their visitors and, therefore, all the choice of lighting and colors, brings very peculiar aspects and arouse quite personal feelings in those who are consuming this service.

- Barbosa, Maria de Lourdes de Azevedo, Souza, Anderson Gomes de, Kovacs, Michelle Helena, Melo, Larissa da Silva Araújo (2011), "Gestão da Experiência de Serviços de Hospitalidade: O que a empresa propõe e qual o significado para o consumidor", *Observatório de Inovação do Turismo Revista Acadêmica*, 6 (2), 1-15.
- McWilliam, Gil (2000), "Building Stronger Brands Through Online Communities", *Sloan Management Review*, Spring, April 15<sup>th</sup>, 43-54.
- Mondo, Tiago Savi (2014), Tourqual: Proposta de um Modelo de Avaliação da Qualidade de Serviços em Atrativos Turísticos. Tese de doutorado não-publicada, Centro de Ciências Socioeconômicas, Universidade Federal de Santa Catarina, Florianópolis, Brasil.
- Mondo, Tiago Savi, Silva, Francine Vieira Correa da, Martins, Ana Iwaki (2016), "Qualidade de Serviços em Museus: A Percepção dos Visitantes do Museu Histórico de Santa Catarina", *Revista Eletrônica de Administração e Turismo*, 8 (4), 890-909.
- TripAdvisor (2015), Melhores Museus da América do Sul, acessado em 14 de novembro de 2016, disponível em: https://www. tripadvisor.com.br/Attraction\_Review-g304560-d4377117-Reviews-Museu\_Cais\_do\_Sertao-Recife\_State\_of\_ Pernambuco.html

## Paradoxes in Reward-Based Crowdfunding

Natalia Drozdova, Norwegian School of Economics, Norway Ingeborg Astrid Kleppe, Norwegian School of Economics, Norway

#### **EXTENDED ABSTRACT**

In this paper we expand on recent research on hybrid business models (Scaraboto 2015) as we study a context where consumers buy into products and services when they still are ideas. In doing so we conduct a revelatory case-study to explore types of commercialsocial paradoxes that emerge when consumers participate in the creation of future market offerings via reward-based crowdfunding.

In a way, funders in a reward-based crowdfunding project invest in a promise of a desired future market offering. The project call must sell this future promise to the crowd. In the beginning crowdfunding projects were typically run by artists who found it difficult to finance their projects through traditional ways of financing. With the introduction of reward-based crowdfunding platforms and even more commercialized equity-based crowdfunding platforms, crowdfunding as a phenomenon has evolved from being a movement by artists in opposition to big music labels into a popular mainstream business model. The blend of rebel ideology and commercial logics complicates the funders-founder relation very. Funders provide finance for a commercially oriented project while they typically contribute on a social/communal shared rebel vision or idea.

We therefore introduce the concept of paradox to analyze the funders-founder relation that at the same time is economically and socially founded.

#### THEORY

Lewis defines paradoxes as contradictory yet interrelated elements – 'elements that seem logical in isolation but absurd and irrational when appearing simultaneously in an organization' (2000, p. 760). Paradox theory offers a framework for understanding the complexity of the hybrid context. Lewis (2000) suggests that the paradox framework consists of three dynamic elements: tensions, reinforcing cycles, and management. Tensions are cognitive and/or socially constructed polarities that obscure the interrelatedness if the contradictions. Reinforcing cycles are paralyzing defenses, which initially reduce discomfort and anxiety, yet eventually intensify tensions. Management is attempts to explore tensions and thereby tap the potential energy, insight, and power of paradox that enable dramatic change. The paradoxes in and of themselves are not negative and can have potential for change and innovation if managed.

#### **Oculus Rift – a Revelatory Case Study**

We conduct an in-depth case study of a seminal crowdfunding project - the case of Oculus Rift. Oculus Rift is a virtual reality head-mounted display headset used in video games and in industries that need this technology to create virtual reality experiences. Oculus Rift was successfully crowdfunded on the Kickstarter platform in 2012 and raised \$ 2.5 million. A short time after the project start in 2013 Facebook acquired Oculus Rift for \$ 2 billion. This created a major stir among the funders in the crowdfunding community. In the course of the study, we analyze 2505 comments from the projects' commentary starting from August 2012 until December 2016. 2475 out of 9522 funders participated in the commentary. In analyzing online and printed media discourses, we rely on the premise that paradoxes are both recognizable and socially constructed through actors' rhetoric and conversation. In this study, we focus specifically on tensions and paradoxes signified by contradictory definitions of success and purpose of the project. In doing so we identified three paradox themes: the strategic paradox; the paradox of ownership; and the paradox of performance.

#### FINDINGS

The commercialization of crowdfunding platforms is an ongoing process. In equity-based crowdfunding all relations between the main actors (funders and founders) are purely commercial in nature. Reward-based crowdfunding platforms, on the other hand, build on a blend of social and commercial logics. Such a blend of different or contradictory logics can be defined as a paradox. In this paper we explore three types of paradoxes that can emerge in reward-based crowdfunding: a strategic paradox, a paradox of performing, and a paradox of ownership. A strategic paradox can be defined as inherent contradictions in the objectives of an organization (Lewis, 2000). The paradox of performing is the ambiguity about whether certain organizational outcomes represent success or failure (Jay, 2013). The paradox of ownership reflects contradictions regarding who owns the project.

#### DISCUSSION

In reward-based crowdfunding social tensions and voice are likely to arise during reformative stages, such a commercial takeovers of a project. These social tensions can evolve into reinforcing cycles that give power to the crowd and hurt the project brand, which requires a response from the funders. In this way, the social and commercial become a certain type of intertwined marketplace logic that is worth unpacking. In many cases of reward-based crowdfunding, funders are engaged consumers who want to help to bring the technology they desire to the market place. Thus, managing of the performance paradox within the consumers seems to be important step for the project's development.

In the next part of the work, we will focus on the exploration of reinforcing cycles and managing of the paradox in the context of reward-based crowdfunding.

- Jay, J. (2013). Navigating paradox as a mechanism of change and innovation in hybrid organizations. Academy of Management Journal, 137-159.
- Lewis, M. W. (2000). Exploring Paradox: Toward a More Comprehensive Guide. Academy of Management Review, 760-776.
- Scaraboto, D. (2015). Selling, Sharing, and Everything in Between: The Hybrid Economies of Collaborative Networks. Journal of Consumer Research, 152-176.

## **Correlates of Consumer Confinement**

Vincent-Wayne Mitchell, Cass Business School London, UK Stephanie Feiereisen, Cass Business School London, UK Thorsten Hennig-Thurau, University of Meunster, Germany Andre Marchand, University of Meunster, Germany

## EXTENDED ABSTRACT

Confinement is a highly relevant concept for consumer researchers because many consumption situations, such as getting a haircut or taking a flight, have an element of confinement whereby they keep consumers physically restricted to a space. For example, the passenger airline industry is worth \$623 billion alone, transporting some 3,530 million passengers a year (IATA 2015), while in retail, manipulated spatial confinement by varying ceiling height and demonstrated that a low ceiling can prime the concept of confinement. Previous research has demonstrated that space constraint influences consumers' behavior toward hedonistic consumption and react against an incursion to their personal space by making more varied and unique choices. However, these works have not fully explored the confinement concept, nor developed robust measures of it and shown how it relates to other constructs. As a result, we focus on the follow research questions: What is consumer confinement in a service context, and how does it relate to other constructs? To address these research questions, we; 1) define and measure consumer confinement and 2) examine how confinement relates to a) individual characteristics such as fear of flying and claustrophobia, b) service characteristics such as the objective duration of the flight and perceived duration of the flight, c) related constructs, such as crowding and waiting, and d) consumer outcomes, i.e. emotional responses and empowerment. We begin by defining consumer confinement as the consumer's perception of being physically restricted to a space as part of a service experience. Next we hypothesize that confinement will be positively associated with waiting within the service experience (H1) and with crowding (H2), negatively associated with experience with flying (H3), positively associated with fear of flying (H4) and with claustrophobia (H5), negatively associated with perceived flight duration (H6), positively associated with objective flight duration (H7), and negatively associated with positive emotional response (H8) and with empowerment (H9). To test these, 370 respondents were recruited via an online panel; all of whom had been on a longhaul flight (6 hours or above) in economy class over the previous month. The final sample included 370 participants. 47% of survey respondents were women and the median age was 47. All participants completed two separate surveys and responses were collected using two separate instruments in order to reduce common method bias (Podsakoff, MacKenzie, and Podsakoff 2012). The first survey measured confinement ( $\alpha$ =.957), crowding, waiting, perceived flight duration (Gorn et al., 2004, a=.969), emotional response (Larsen and Diener (1992,  $\alpha$ =.857), objective flight duration and empowerment (Kull and Heath, 2016,  $\alpha$ =.928). The second survey measured fear of flying ( $\alpha$ =.860), claustrophobia ( $\alpha$ =.832) and experience with flying ( $\alpha$ =.881). As hypothesised in H1-2, confinement correlates positively with waiting within the service experience (r = .266, p < .001) and crowding (r = .368, p < .001). Interestingly, it does not correlate significantly with experience with flying (r = -.083, p = .110), so we must reject H3. One reason may be that even though these frequent flyers are more experienced with flying, they may not have learned from their experiences and acquired the expertise needed to engage in certain strategies, such as packing specific items or engaging in positive thinking, to improve their flight experience. Confinement correlates positively with fear of flying (r = .151, p < .01, H4) and

claustrophobia (r = .106, p < .05, H5). However, confinement correlates negatively with perceived flight duration (r = .307, p < .001, H6), but positively with objective flight duration (r = -.046, p = .380, H7). This is a meaningful finding which suggests that the duration of the flight, e.g. 6 or 15 hours, only has a limited relationship with perceived confinement. What truly matters is perceived flight duration and consumers' subjective perception of the passage of time. Finally, confinement correlates negatively with positive emotional response (r = -.290, p < .001, H8) and (r = -.317, p < .001, H9). The objective of the research was to further current understanding of consumer confinement concept. First, While prior works greatly contribute to our understanding of consumer confinement by manipulating spatial constraints, limited efforts have been made to examine perceived confinement inherent to a service consumption experience, such as a long-haul flight. We contribute to theory development in consumer research and consumer psychology by conceptualizing confinement inherent to a service context. Second, we contribute to prior work which has examined the effect of overbooking service capacity on the evolution of consumer transactions with the company and flight delays (Prahalad and Ramaswamy 2004), and how service failure affects consumers' attributions, affect and behavioral responses (Folkes, Koletsky, and Graham 1987) by focusing on consumers and understanding how they respond to confined consumption contexts rather than a producer-centric view seeing consumers as the recipient of the company's activities. Third, we complement the travel literature which has researched travel anxiety and physical health problems resulting from flying phobias (McIntosh et al. 1998), with a focus on the more common confinement as experienced by the large majority of long-haul flyers. Future work will endeavor to examine which strategies are most effective in lessening perceived confinement, and ultimately enhance consumer well-being.

- Folkes, Valerie S., Susan Koletsky, and John L. Graham (1987), "A Field Study of Causal Inferences and Consumer Reaction: The View from the Airport," *Journal of Consumer Research*, 13 (4), 534-39.
- Gorn, Gerald J., Amitava Chattopadhyay, Jaideep Sengupta, and Shashank Tripathi (2004), "Waiting for the Web: How Screen Color Affects Time Perception," *Journal of Marketing Research*, 41 (2), 215-25.
- IATA (2015), "Fact Sheet Industry Statistics," <u>https://www.iata.</u> org/pressroom/facts\_figures/fact\_sheets/Documents/fact-sheetindustry-facts.pdf.
- Kull, Alexander J. and Timothy B. Heath (2016), "You Decide, We Donate: Strengthening Consumer-Brand Relationships through Digitally Co-Created Social Responsibility," *International Journal of Research in Marketing*, 33 (1), 78-92.
- Larsen, Randy J. and Ed Diener (1992), "Promises and Problems with the Circumplex Model of Emotions," *Review of Personality and Social Psychology: Emotion*, 13, 25-59.
- McIntosh, Iain B., Vivien Swanson, Kevin G. Power, Fiona Raeside, and Craig Dempster (1998), "Anxiety and Health Problems related to Air Travel," *Journal of Travel Medicine*, 5 (4), 198-204.

## 66 / Correlates of Consumer Confinement

Podsakoff, Philip M., Scott B. MacKenzie, and Nathan P. Podsakoff (2012), "Sources of Method Bias in Social Science Research and Recommendations on how to Control it," *Annual Review* of Psychology, 63, 539-69. Prahalad, Coimbatore Krishnarao and Venkat Ramaswamy (2004), *The Future of Competition: Co-Creating Unique Value with Consumers*, Boston, MA: Harvard Business School Press.

Full reference list available on request.

## Influence of Trust and Security on the Intention to Shop Online

Silvana Dakduk, Universidad de la Sabana, Colombia Diana Rojas, Universidad de la Sabana, Colombia

#### **EXTENDED ABSTRACT**

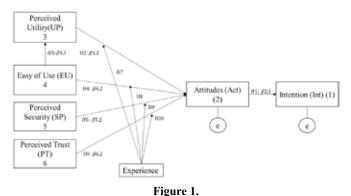
The emergence of the Internet is one of the most important changes in the lifestyle of consumer's behavior. Latin America represents 10.5% of Internet users of the world population; being considered a market of great opportunities because of evidence of an accelerated growth in all the region (Stats, 2015). The purpose of this paper is to contribute to the explanation of consumers' intention to purchase online, based on the adapted version of the Technological Acceptance Model (TAM).

The TAM analyzes the effect of beliefs as perceived utility (PU) and ease of use (EU) on the attitudes (ATT) and intentions (INT) to adopt or use a new technology (Davis, 1993; Davis, Bagozzi, & Warshaw, 1989). Perceived Trust (PT) is the perception of customers about the expectations that sellers will behave responsibly and will not take advantage of the customer (Lee & Lin, 2005). Perceived Security (PS) involves the user's perception of the vendor's ability to satisfy the security needs of the client or client's beliefs about the privacy of personal information (Musleh, Marthandan, & Aziz, 2015).

Several studies show that the PS is strongly related to PT. Tavera Mesías, Sanchéz Giraldo, and Ballesteros Díaz (2011), refers an indirect effect of PU on intention, as opposed to the EU in Bogotá and Medellin (Colombia). Another empirical evidence in Colombia is the research carried out by Tavera and Londoño (2014), in which the variables proposed by the TAM, as well as the effect of additional external variables - orientation to innovation, security, and confidence - on the intention to buy online. The results of the study allowed confirming the established relationships of all study variables, except for EU and innovation.

Recent theoretical models and previous studies suggest the incorporation of experience with e-commerce as a moderating variable between external variables and attitude, which contribute to and strengthen the prediction of the intention and use of e-commerce (Venkatesh, 2012).

Based on the empirical evidence and the theoretical framework of the TAM, in the present investigation, an extension of the TAM was used to explain the intention to shop online in Colombia, incorporating the moderating effects of the experience. Figure 1 summarized the hypothesis model:



Research model of hypothesis

The sample consisted of 413 internet users aged 18 - 56 years old, with 46% female and 54% male non-probabilistically selected.

The survey was sent by e-mail to undergraduate and graduate students from four higher education institutions located in Bogota.

The instrument was adapted from previous research on e-commerce (Davis, 1993; Karahanna & Straub, 1999; Taylor & Todd, 1995). All scales consist of statements in which people agreed on a 6-point Likert scale, where 1 meant completely disagreement and 6 strongly agreed. All the measured variables explain the variance of latent constructs and support the validity and reliability of the measurement model. A path analysis was conducted to evaluate the research model of hypothesis. Table 1 summarized this results:

Table 1	
Regression coefficients of the research variables	

Variable	b	Error	β	t	р	Results
$\beta_{2,1}$ Att $\rightarrow$ Int	,073	,046	,086	1,580	,115	Not support
$\beta_{2,1}$ PU $\rightarrow$ Int	,642	,054	,649	11,93	,000	Support
$\beta_{2,1}$ PU $\rightarrow$ Att	,464	,035	,543	13,29	,000	Support
$\beta_{2,1} EU {\rightarrow} Att$	,216	,049	,187	4,402	,000	Support
$\beta_{2,1}PS {\rightarrow} Att$	,115	,052	,083	2,184	,030	Nos support
$\beta_{2,1} \operatorname{PT} \rightarrow \operatorname{Att}$	,163	,047	,139	3,454	,001	Not support
$\beta_{2,1} \: EU \to PU$	,887	,052	,656	17,15	,000	Support

The moderating effect of the experience was evaluated with hierarchical regression of the proposed relationships. The results allowed to confirm all predicted relations of moderation, evidencing in all the cases that the joint effect of the experience with each one of the variables of the model, exerts a positive and significant effect on the prediction of the attitude towards e-commerce.

The results show that the most relevant variables were PU and EU, on PS and PT; which implies into a utilitarian perception of Colombian buyers against the Internet as a buying alternative. In other words, those interviewed who are more willing to make purchases in this medium are those that attribute to this channel functional advantages such as simplicity, little effort and relative advantages over traditional stores.

Thus, these following characteristics could be considered as relevant benefits that could be integrated into the digital marketing strategy to promote the acceptance and adoption of this medium. Similarly, experience has a significant effect on the moderation of relationships; it is recommended the implementation of consumer instructions and technical assistance that facilitate the initial experience of the customer with the channel.

- Davis, F. (1993). User acceptance of information technology: system characteristics, user perceptions and behavioral impacts. *International Journal of ManMachine Studies*. https:// doi.org/10.1006/imms.1993.1022
- Davis, F. D., Bagozzi, R. P., & Warshaw, P. R. (1989). User acceptance of computer technology: a comparison of two theoretical models. *Management Science*, 35(8), 982–1003. https://doi.org/10.1287/mnsc.35.8.982

### 68 / Influence of Trust and Security on the Intention to Shop Online

- Karahanna, E., & Straub, D. W. (1999). The psychological origins of perceived usefulness and ease-of-use. *Information & Management*, 35(4), 237–250. https://doi.org/10.1016/S0378-7206(98)00096-2
- Lee, G.-G., & Lin, H.-F. (2005). Customer perceptions of e-service quality in online shopping. *Journal of Retail & Distribution Management*, 33(2), 161–176. https://doi. org/10.1108/09590550510581485
- Musleh, S., Marthandan, G., & Aziz, N. (2015). An extension of UTAUT model for Palestine Jumana S . A . Musleh \*, Govindan Marthandan and Nusrate Aziz. *International Journal of Electronic Business*, 12(1), 95–115.
- Stats, I. W. (2015). Internet users and 2015 population stats for the Americas. Retrieved from http://www.internetworldstats.com/ stats2.htm

- Tavera, J. F., & Londoño, B. (2014). Factores determinantes de la aceptacion tecnologica de e-commerce en paises emergentes. *Revista Ciencias Estrategicas UPB*, 22(31), 101–119.
  Retrieved from https://revistas.upb.edu.co/index.php/cienciasestrategicas/article/view/2904/2547
- Tavera Mesías, J. F., Sanchéz Giraldo, J. C., & Ballesteros Díaz, B. (2011). E-commerce acceptance in Colombia: a study for Medellín city. *Revista Facultad de Ciencias Económicas: Investigación Y Reflexión*, 19(2), 9–23. Retrieved from http:// dialnet.unirioja.es/servlet/articulo?codigo=4240148&info=res umen&idioma=POR
- Taylor, S., & Todd, P. A. (1995). Understanding information technology usage: A test of competing models. *Information Systems Research*, 6(2), 144–176. https://doi.org/10.1287/ isre.6.2.144
- Venkatesh, V. (2012). Consumer acceptance and use of information technology: extending the unified theory, *36*(1), 157–178.

# The Reasons for Choosing Popular: Extending Naive Theories of Popularity with Uncertainty Reduction and Societal Value

Robert P.G. Goedegebure, Wageningen University, The Netherlands Erica van Herpen, Wageningen University, The Netherlands Hans C.M. van Trijp, Wageningen University, The Netherlands

### **EXTENDED ABSTRACT**

When consumers perceive that a product is popular, they are more likely to choose that product. Informed by the naive theories they hold (Deval, Mantel, Kardes, & Posavac, 2013), consumers assume that the popular product is popular for a good reason (Surowiecki, 2004). One strand of literature, based on information cascades, emphasizes product (quality) inferences as explanatory mechanism (Bikhchandani, Hirshleifer, & Welch, 1998a). Yet, prior research shows that consumers do not always infer higher quality when something is popular (Becker, 1991). Inferences of quality appear to mainly arise when additional quality cues are linked to popularity cues. So, it appears it is not the popularity cue, rather the additional quality cue that drives the inferences (Muchnik, Aral, & Taylor, 2013). Indeed, there may be other mechanisms through which popularity by itself triggers choice (Parker & Lehmann, 2011). We propose a complementary mechanism, currently overlooked in literature, namely that consumers use popularity to reduce uncertainty that revolves around product quality. Consumers value a product's performance that does not disappoint and aim to reduce the probability of disappointment before purchase (Rust, Inman, Jia, & Zahorik, 1999). When risk is high, they will forego choice because they are too uncertain about the outcome (Dowling & Staelin, 1994). Thus, a product may be preferred for a performance that does not disappoint, even if it is not the highest quality (Meyer, 1981; Rust et al., 1999). Given that consumers look at, and follow others, out of reasons of safety and certainty (Griskevicius et al., 2009; Raafat et al., 2009), we propose that the effect of popularity on choice is largely driven by uncertainty reduction.

Consumers may however draw on multiple naive theories, as inferences are contextually influenced (Loersch & Payne, 2011). Hence, consumers may also use popularity to assess the moral, societal value of an action (Gigerenzer, 2010), driven by considerations reflecting right or wrong human conduct (Reidenbach & Robin, 1990). The primary objective of this study is to explicate the process through which popularity exerts influence on choice through product-quality related inferential mechanisms. Yet, in doing so, we take into account, and measure the extent to which popularity may be used to draw socially-related inferences where we distinguish between inferences of social approval, and inferences of societal value.

Three studies (1A: N = 47 / 1B: N = 39 / 1C: N = 36 students), in which participants evaluate a popular product (wine / cheese / beer), demonstrate the existence of four types of inferences. As predicted, participants inferred, across the studies, that the popular product would be less likely to disappoint (ts > 2.80, ps < .01), indicating uncertainty reduction. Additionally, participants inferred the popular product to have a higher societal value (ts > 2.45, ps < .05. Inferences of quality were only made for cheese ( $t_{IB}$  (38) = 7.63, p < .001), and inferences of social value only for beer ( $t_{IC}$  (35) = 3.97, p < .001). Across three experiments, participants consistently made inferences of uncertainty reduction. This supports our theory that the proposed route of uncertainty reduction indeed offers valuable additional insights and needs to be considered as a process mechanism. In study 2 we examine this mechanism in a mixed-design choice experiment (N = 120 students). Participants overwhelmingly chose the popular wine (70% – 78%), and the results show that inferences of uncertainty reduction and quality perception mediate ( $\beta$ 's <.05) the effect of popularity on intention ( $\beta$ , ns) and choice ( $\beta$  <.05). Although popularity evoked inferences of social and societal value, these did not mediate. Study 2 demonstrates the relevance of uncertainty reduction as an inference that predicts choice over and above the effect of quality inferences.

Study 3 (N=290) further demonstrates the relevance of inferences of uncertainty reduction. We propose that, in a product context, a popular product's profile reflects properties of product quality and the uncertainty around that quality, whereas, in a social context, the profile reflects social and societal values. In a 4-group between subjects design we manipulate four contexts (c.f. Ma & Roese, 2014) in which participants choose products (across categories) and evaluate the inferential properties. We find that, specifically in a context focussed on product-properties, participants overwhelmingly use popularity to reduce uncertainties revolving the quality of a product (ts > 3.85, ps < .001), and even in a societal context (t=4.11, p < .001).

The present study adds to scientific literature by identifying a new inference making route for popularity: quality uncertainty reduction within the product-related context. Consumers consistently make inferences of uncertainty reduction with the help of a popularity cue, even in an unrelated (societal) context, and this influences product choice. We demonstrate that uncertainty reduction is a relevant, impactful inference resulting from product popularity. Consumers appear to look at others to gather information about product performance (Bikhchandani, Hirshleifer, & Welch, 1998b), yet not only to infer higher quality, but to diminish uncertainty about product performance. This resembles biological tendencies to follow the crowd out of reasons of safety (Griskevicius et al., 2009; Raafat et al., 2009). In addition, across studies, we demonstrate that consumers draw upon different naive theories, as evidenced by the inferences of societal value. These inferences offer explanations for popularity beyond current perspectives that emphasize social inferences as explanatory mechanism (Cialdini et al., 1990).

This papers offers new insights on the effects of popularity beyond current perspectives on the mechanisms. The results have important implications for practitioners. Consider for example the introduction of foreign products to new markets. Consumers on new markets are likely unfamiliar with, and uncertain about such products. Communicating local popularity would aid to reduce uncertainty and increase purchase. In addition, our results could benefit social marketing campaigns. The fact that the popular choice is not one to disappoint could counteract beliefs as 'healthy foods' are less tasty than unhealthy foods' (Raghunathan et al., 2006). Presenting foods as popular, may lead consumers to infer that the taste will not disappoint.

Becker, G. S. (1991). A Note on Restaurant Pricing and Other Examples of Social Influences on Price. *Journal of Political Economy*, 99(5), 1109.

#### 70 / The Reasons for Choosing Popular: Extending Naive Theories of Popularity with Uncertainty Reduction and Societal Value

Bikhchandani, S., Hirshleifer, D., & Welch, I. (1998a). Learning from the Behavior of Others: Conformity, Fads, and Informational Cascades. *Journal of Economic Perspectives*, 12(3), 151–170.

Bikhchandani, S., Hirshleifer, D., & Welch, I. (1998b). Learning from the Behavior of Others: Conformity, Fads, and Informational Cascades. *Journal of Economic Perspectives*, 12(3), 151–170.

Cialdini, R. B., Reno, R. R., & Kallgren, C. A. (1990). A focus theory of normative conduct: Recycling the concept of norms to reduce littering in public places. *Journal of Personality and Social Psychology*, 58(6), 1015–1026.

Deval, H., Mantel, S. P., Kardes, F. R., & Posavac, S. S. (2013). How Naive Theories Drive Opposing Inferences from the Same Information. *Journal of Consumer Research*, 39(6), 1185–1201.

Dowling, G. R., & Staelin, R. (1994). A Model of Perceived Risk and Intended Risk-Handling Activity. *Journal of Consumer Research*, 21(1), 119.

Gigerenzer, G. (2010). Moral satisficing: rethinking moral behavior as bounded rationality. *Topics in Cognitive Science*, 2(3), 528–54.

Griskevicius, V., Goldstein, N. J., Mortensen, C. R., Sundie, J. M., Cialdini, R. B., & Kenrick, D. T. (2009). Fear and Loving in Las Vegas: Evolution, Emotion, and Persuasion. *Journal of Marketing Research*, 46(3), 384–395.

Loersch, C., & Payne, B. K. (2011). The Situated Inference Model: An Integrative Account of the Effects of Primes on Perception, Behavior, and Motivation. *Perspectives on Psychological Science*, 6(3), 234–252. Ma, J., & Roese, N. J. (2014). The maximizing mind-set. Journal of Consumer Research, 41, 71–92.

Meyer, R. (1981). A model of multiattribute judgments under attribute uncertainty and informational constraint. *Journal of Marketing Research*, 18(4), 428–441.

Muchnik, L., Aral, S., & Taylor, S. J. (2013). Social influence bias: a randomized experiment. *Science (New York, N.Y.)*, 341(6146), 647–51.

Parker, J., & Lehmann, D. R. (2011). When shelf-based scarcity impacts consumer preferences. *Journal of Retailing*, 87(2), 142–155.

Raafat, R. M., Chater, N., & Frith, C. (2009). Herding in humans. Trends in Cognitive Sciences, 13(10), 420–8.

Raghunathan, R., Naylor, R. W., & Hoyer, W. D. (2006). The Unhealthy = Tasty Intuition and Its Effects on Taste Inferences, Enjoyment, and Choice of Food Products. *Journal of Marketing*, 70(4), 170–184.

Reidenbach, R. E., & Robin, D. P. (1990). Toward the development of a multidimensional scale for improving evaluations of Business Ethics. *Journal of Business Ethics*, 9(8), 639–653.

Rust, R. T., Inman, J. J., Jia, J., & Zahorik, a. (1999). What You Don't Know About Customer-Perceived Quality: The Role of Customer Expectation Distributions. *Marketing Science*, 18(1), 77–92.

Surowiecki, J. (2004). The Wisdom of Crowds. Random House Inc.

## An Upbeat Crowd: Fast In-Store Music Attenuates the Negative Effects of High Social Density on Retail Sales

Klemens Knoeferle, BI Norwegian Business School, Norway Vilhelm Paus, Saatchi & Saatchi, Norway Carlos Velasco, BI Norwegian Business School, Norway Alexander Vossen, University of Siegen, Germany

## **EXTENDED ABSTRACT**

The ambience of stores has become an important success factor for retailers in recent years. One ambient factor that has received considerable research interest is social density—the number of shoppers per store area size. Social density presents retailers with an interesting dilemma: On the one hand, a busy store is desirable from a shop owner's perspective, as more customers typically lead to higher sales. On the other hand, high social density often results in perceived crowding—shoppers' subjective experience of limited personal space and control (Stokols, 1972), which is known to have negative psychological effects on customers in utilitarian settings (for a review, see Mehta, 2013). Consequently, retailers will be interested in ways to mitigate negative effects of high social density.

Consequently, and following repeated calls for research, we investigate whether the negative effect of crowding on retail outcomes can be compensated by additional, supplementary store ambience factors. Existing conceptualizations of crowding suggest that perceived crowding and associated negative downstream effects can be reduced by an arousal misattribution mechanism ("attribution model of crowding", e.g., Worchel & Teddie, 1976; Worchel & Yohai, 1979). Specifically, when individuals that are aroused by violations of their personal space are exposed to additional cues that are plausible causes for arousal, they tend to misattribute at least some of the crowding-induced arousal to these additional cues (Worchel & Brown, 1984; Worchel & Yohai, 1979). This misattribution results in a reinterpretation of the original, crowding-induced arousal and thus a reduction of perceived crowding. In a store setting, such a reduction of perceived crowding should alleviate the negative effects of high density on spending. Thus, we propose that music tempo (i.e., the speed of a detectable pulse in music; Bruner, 1990) will moderate the impact of social density on spending, such that fast (i.e., arousing) music alleviates the negative effects of high social density.

In order to test whether the tempo of in-store music moderates the influence of social density on sales, we conducted a large-scale field experiment in which we manipulated in-store music (slow, fast, no music) and measured social density. Shopping baskets from over 40'000 customers were analyzed. The results confirm the hypothesized moderating influence of music tempo on the effect of social density on spending. When social density was low to medium, instore music tempo did not impact the effect of social density on shopping basket value. However, when density was high, fast in-store music had a strong positive effect on basket value. Thus, consistent with an arousal misattribution account, (3) fast music is able to mitigate the negative effect of high density on individual shopping basket value.

While the field experiment reported in the current study did not directly probe the proposed misattribution process, the observed pattern of results enables us to rule out several alternative explanations: For instance, the data are inconsistent with (1) conventional wisdom claiming that slow music should be more effective in crowded stores due to its calming effects, (2) a schema incongruity account positing that moderately incongruent combinations of ambient factors (e.g., high crowding-induced arousal and low music-induced arousal) should lead to the most favorable outcomes (Eroglu, Machleit, & Chebat, 2005), and (3) an arousal congruency account that would predict that matching density and music tempo in terms of their arousal value increases customers' perception of the overall shopping environment (Mattila & Wirtz, 2001)

As alternative explanations cannot account for the significant positive effects of fast music at high levels of social density, and the null effects of non-arousing music, arousal misattribution thus seems to be the most plausible and parsimonious explanation for our findings. Customers likely attributed the arousal experienced due to violations of their personal space to the arousing music, which reduced their subjective feeling of crowding and alleviated the associated negative downstream consequences (e.g., reduced approach and exploration behavior, shopping duration, and spending).

Our results advance the literature on social density and retail crowding by (1) analyzing objective data rather than customer selfreports, (2) confirming an inverted-u-shaped effect of social density on sales, and (3) identifying ambient factors that mitigate negative effects of high density. We contribute to the literature on in-store music by describing, for the first time, shopping conditions under which fast music is more effective than slow music (cf. Knöferle, Spangenberg, Herrmann, & Landwehr, 2012; Milliman, 1982). Our results also have clear implications for management practice, as they show that music is a useful tool to counter the negative effects of high social density.

- Bruner, G. C. (1990). Music, mood, and marketing. *Journal of Marketing*, 54(4), 94-104. doi:10.2307/1251762
- Eroglu, S. A., Machleit, K. A., & Chebat, J.-C. (2005). The interaction of retail density and music tempo: Effects on shopper responses. *Psychology & Marketing*, 22(7), 577-589.
- Knöferle, K. M., Spangenberg, E., Herrmann, A., & Landwehr, J. R. (2012). It is all in the mix: The interactive effect of music tempo and mode on in-store sales. *Marketing Letters*, 23(1), 325-337. doi:10.1007/s11002-011-9156-z
- Mattila, A. S., & Wirtz, J. (2001). Congruency of scent and music as a driver of in-store evaluations and behavior. *Journal of Retailing*, 77(2), 273-289.
- Mehta, R. (2013). Understanding perceived retail crowding: A critical review and research agenda. *Journal of Retailing and Consumer Services*, 20(6), 642-649. doi:<u>http://dx.doi.org/10.1016/j.jretconser.2013.06.002</u>
- Milliman, R. E. (1982). Using background music to affect the behavior of supermarket shoppers. *Journal of Marketing*, 46(3), 86-91. doi:10.2307/1251706
- Stokols, D. (1972). On the distinction between density and crowding: Some implications for future research. *Psychological Review*, 79(3), 275-277.
- Worchel, S., & Brown, E. H. (1984). The role of plausibility in influencing environmental attributions. *Journal of Experimental Social Psychology*, 20(1), 86-96. doi:<u>http:// dx.doi.org/10.1016/0022-1031(84)90014-3</u>

## 72 / An Upbeat Crowd: Fast In-Store Music Attenuates the Negative Effects of High Social Density on Retail Sales

Worchel, S., & Teddie, C. (1976). The experience of crowding: A two-factor theory. *Journal of Personality and Social Psychology*, 34(1), 30-40. Worchel, S., & Yohai, S. M. L. (1979). The role of attribution in the experience of crowding. *Journal of Experimental Social Psychology*, 15(1), 91-104. doi:<u>http://dx.doi.org/10.1016/0022-1031(79)90021-0</u>

## The Meanings for the Nipponese Tea Cerimony in the Southern Region of Brazil

Nôga Da Silva, Universidade Estadual de Maringá, Brazil Fernanda Guarnieri, Universidade Estadual de Maringá, Brazil Olga Pépece, Universidade Estadual de Maringá, Brazil Aline Cantarotti, Universidade Estadual de Maringá, Brazil

## **EXTENDED ABSTRACT**

In order to contribute to a discussion of the influence of consumer rituals on the construction of individuals' personal and social identity and, consequently, on their behavior and symbolic consumption (Rook, 1984), the aim of this study was to understand the meanings of the ritual of consumption of the Tea Ceremony in the Southern region of Brazil.

Ritual is a typology for social action dedicated to the manipulation of cultural meaning, for the purpose of communication and individual and collective categorization, also a way of affirming the symbols and meanings of the cultural order (McCracken, 2003). Analyzing consumer rituals is a way to understand symbolic meanings that surround market environments that are of fundamental importance for the understanding of consumer behavior (Cupollilo, Casotti & Campos, 2013). In this context, the Tea Ceremony assumes importance in maintaining the traditional Japanese culture, characterized by serving and drinking *matcha*, a green tea powdered in an environment of humility, reciprocity, willingness to serve others. The Tea Ceremony is a ritual known as *Chanoyu*, articulated in values of Japanese tradition: Wa - peace and harmony; Kei - respect and reverence; Sei - material and spiritual purity; and Jaku - tranquility (Bleiler, 1963; Hirose, 2011; Sadler, 2011).

In Brazil, the ceremony contributed to the process of adaptation of the immigrants, as a form of articulation and integration with Brazilians (Jhun, 2012). Rocha (1996) observes that the ceremony became a way of representing the Japanese ethos by the immigrants and their Brazilian descendants, maintaining the cultural traditions.

In order to achieve the objective of this research, a qualitative and descriptive research was adopted. As procedures of data collection, observations took place during three Tea Ceremonies, at the Nature and Tea Ceremony Festival held in October 2016, in Maringá Japan Park whose participants were from Urasenke tea schools in different locations in Brazil. In addition ten interviews were performed with guests, masters and teachers of the Tea Ceremony, who participated in the same festival. In terms of data analysis, content analysis was adopted (Bardin, 1977).

As results, the interviewees participate in the Tea Ceremony following the cultural, religious and family traditions. Respect for the traditions of the Tea Ceremony in Brazil is so strong that it draws the attention of Japanese living in Japan and seeks in Brazil a way of trying to live the practice of the Japanese traditions in the millennial period before wars. The ceremony is also considered to be the catalyst for the Nipponese cultural tradition. It is the ritual that most represents the meaning of the traditions and rescues the memories of previous generations.

Likewise, there are those interviewees who participate in the ceremony even though they are not Japanese descendants, who knew the ceremony for curiosity and study interest, which reinforces the influence of the Japanese culture on the consumption of Brazilian people. Regarding the meanings of the Tea Ceremony, it was possible to point out: to serve the other, the exchange and the preservation of the values of the Japanese tradition. Regarding the meanings of the Tea Ceremony, it is possible to conclude that, even though the Japanese immigration is more than one hundred years old, once it started in 1908 (Bahl & Murad, 2013), this ritual remains rooted in tradition and the original meanings of harmony, respect, purity and tranquility.

As main management contributions it is possible to point out the sacredness of the artifacts of the Tea Ceremony, leading to the reflection on how giving meaning to a product can make it valuable. This is reflected in the price of tea used in the ceremony in the Japan Park, with a tea package which comes from Japan having the cost of around one hundred and fifty *reais*, while the national tea have prices starting from around three *reais* in the Markets. Finally, it is perceived how rituals, as being intrinsic to the nations, help the societies be organized, and also how they influence the societies' consuming habits.

- Bahl, M. & Murad, I. G. (2013). Festivais Matsuris Como Referencial Cultural e Turístico da Etnia Japonesa em Curitiba, Paraná, Brasil. *Revista Rosa dos Ventos*, 5(4), 602-615. Retrieved from goo.gl/dnBL31
- Bardin, L. (1977). Análise de conteúdo. Lisboa: Edições 70.
- Bleiler, E. F. (1963). Introdução. In Okakura, O. (Eds.), O livro do chá (pp. 9-26). São Paulo: Pensamento.
- Cupollilo, M. B. N.; Casotti, L. M. & Campos, R. D. (2013). Estudos de consumo: um convite para a riqueza e para a simplicidade da pesquisa de rituais brasileiros. *Revista ADM. MADE*, 17 (3), 27-46, Retrieved from goo.gl/8KxLxq
- Hirose, C. (2011). Metodologia no estudo da antropologia e pedagogia do Chanoyu. Notandum, 26, 31-38. Retrieved from goo.gl/oc2BA0
- Jhun, S. S. Y. (2012). A Cerimônia do Chá como elemento de convivialidade na população nipo-brasileira (Dissertação de Mestrado). Universidade Anhembi Morumbi, São Paulo.
- McCracken, G. (2003). Cultura e Consumo. São Paulo: Mauad
- Rocha, C. M. (1996). A Cerimônia do Chá no Japão e sua reapropriação no Brasil: uma metáfora da identidade cultural do japonês (Dissertação de Mestrado). São Paulo: USP.
- Rook, D. W. (1984).Ritual behavior and consumer symbolism. Advances in Consumer Research, 11, 279-284.
- Sadler, A. L. (2011). *The japonese tea ceremony*: Cha-No-Yo. North Claredon: Tuttle Publishing.

## Is it Consumers or Brands? An Investigation of Who Is Ultimately Influencing Sales in Online Brand Communities Isabel Galvis, Coventry University, UK

Julia Tyrell, Coventry University, UK

## EXTENDED ABSTRACT

The current use of digital social networks has changed the way people interact, cluster and act (Algesheimer, Utpal and Andreas 2005; Xiang and Gretzel 2010). Online brand communities (OBCs) were chosen as the focus of this research, as research has demonstrated that members' judgments can greatly influence brand preference and purchase decisions (Hoffman and Novak 1996; Kozinets et al 2010). In an OBC, consumers share interests, needs, experiences and knowledge which lead the creation of social ties that support purchase behaviours (Wellman and Frank 2001; Hansen, Lee and Lee 2014) and help develop long-term relationships between brands and consumers (Dholakia, Bagozzi and Pearo 2004; Brodie et al 2011).

Based on these facts, it becomes fundamental for academics and practitioners to understand the dynamics taking place in OBCs, how social ties around a brand are built and how these can lead to long-term relationships and financial growth (*Granovetter 1973;* Thomson, MacInnis and Park 2005).

The effects of having 'friends' in the OBC amplifies the effect of posted brand content, which at the same time acquires the viral features intrinsic in these platforms (Turri, Smith, and Kempt 2013; Wirtz et al., 2013). However, current academic literature does not distinguish whether it is brand-generated-content or user-generatedcontent that is ultimately influencing the members of the OBC and, therefore, this research is centered on analyzing how social ties between members of OBCs impact brand awareness, purchases, customer satisfaction (Evanschitzky et al 2004; Cali and Kandampully 2013). In order to achieve this, the moderating factor of social ties between OBC members and the brand was measured; along with the strength of the effects generated by these on brand identity, eWOM, brand advocacy and customer loyalty (Oliver 1999; Muniz O'Guinn 2001; Lawer and Knox 2006).

An inductive ontology with an interpretive approach and convenience sampling (non-probability sampling) was used in this research (Couper 2000; Hair, Bush and Ortinau 2009). A BOS questionnaire (University of Bristol 2016) was developed as it allows the measurement of quantifiable data such as the social tie strength, reach, and relationships taking place in OBC's (Marsden and Campbell 1984; Oppenheim 1992; Skitka and Sargis 2006).

Results from the data collected corroborated this theoretical concept as it demonstrated that friends are the foremost influential force for learning, joining and engaging in OBCs as these provide advice and support while brand content was the main driver of purchases. Furthermore, members who joined the OBC because they had previous social ties with other members exhibited a stronger attachment to the OBC and the brand than those who did not.

This research found that while relationships and belongings in OBC are driven by its members, awareness and eWOM are driven by both the brand and its members. Thus, a strong relationship between brand identity, loyalty and advocacy in members of online brand communities was confirmed.

Future research arising from this research could expand on the role of frequency of access and customer-engagement as moderating factors in the development of ties between consumers and the brand.

- Algesheimer, R., Utpal M. D. and Andreas H. (2005) 'The Social Influence of Brand Community: Evidence from European Car Clubs'. *Journal of Marketing* 69, 19-34
- University of Bristol (2016) *BOS* [online] available from < https:// admin.onlinesurveys.ac.uk/account/coventry/analyse/161125/> [31 December 2016]
- Brodie, R., Ilic, A., Juric, B. and Hollebeek, L. (2011) 'Consumer Engagement in a Virtual Brand Community: An Exploratory Analysis'. *Journal of Business Research* 66 (1), 105–114
- Cali, Z. and Kandampully, J. (2013) 'Managing Brands and Customer Engagement in Online Brand Communities'. *Journal of Service Management* 24 (3), 223-244
- Couper, M. (2000) 'Review: Web Surveys: A Review of Issues and Approaches'. *Public Opinion Quarterly* 64 (4), 464
- Dholakia, U., Bagozzi, R. and Pearo, L. (2004) 'A Social Influence Model of Consumer Participation in Network-And Small-Group-Based Virtual Communities'. *International Journal of Research in Marketing* 21 (3), 241-263
- Evanschitzky, H., Iyer, G. R., Hesse, J. and Ahlert, D. (2004) 'E-satisfaction: a re-examination'. *Journal of Retailing* 80, 239–247
- Granovetter, M. (1973) 'The Strength of Weak Ties'. American Journal of Sociology 78, 1360-1380
- Hair, J., Bush, R. and Ortinau, D. (2009) Marketing Research in a Digital Information Environment; Marketing Research in a Digital Information Environment. 4th edn. Boston: McGraw-Hill Irwin
- Hansen, S., Lee, J. and Lee, S. (2014) 'Consumer-Generated Ads on YouTube: Impacts of Source Credibility and Need for Cognition on Attitudes, Interactive Behaviours, and eWOM'. *Journal of Electronic Commerce Research* 15 (3), 254-266
- Hoffman, D. and Novak, T. (1996) 'Marketing in Hypermedia Computer-Mediated Environments: Conceptual Foundations'. *Journal of Marketing* 60 (3), 50-68
- Kozinets, R. V., de Valck, K., Wojnicki, A. C., and Wilner, S. J. S. (2010) 'Networked narratives: Understanding word of mouth marketing in online communities'. *Journal of Marketing* 74 (2), 71-89
- Lawer, C. and Knox, S. (2006) 'Customer Advocacy and Brand Development'. *Journal of Product and Brand Management* 15 (2), 121-129
- Marsden, P. and Campbell, K. (1984) 'Measuring Tie Strength'. Social Forces 63, 482-501
- Muniz, A. and O'Guinn, T. (2001) 'Brand Community'. Journal of Consumer Research 27, 412–32
- Oliver, R. (1999) 'Whence Consumer Loyalty?'. Journal of Marketing 63 (4), 33-44
- Oppenheim, A. N. (1992) *Questionnaire Design, Interviewing and Attitude Measurement*. London: Pinter
- Skitka, L. J. and Sargis, E. G. (2006) 'The Internet as Psychological Laboratory'. Annual Review of Psychology 57, 529-555
- Thomson, M., MacInnis, D. and Park, W. (2005) 'The Ties That Bind: Measuring the Strength of Consumers' Emotional Attachments to Brands'. *Journal of Consumer Psychology* 15 (1), 77–91

- Turri, A., Smith, K. and Kempt, E. (2013) 'Developing Affective Brand Commitment Through Social Media'. *Journal of Electronic Commerce Research* 14 (3), 201-214
- Wellman, B. and Frank, K. (2001) 'Getting Support from Personal Communities' Social Capital: Theory and Research. Chicago, IL: Aldine De Gruytere

#### Latin America Advances in Consumer Research (Volume 4) / 75

- Wirtz, J., Ambtman, A., Bloemer, J., Horváth, C., Ramaseshan, C., Van De Klundert, J., Canli, Z. and Kandampully, J. (2013)
  'Managing Brands and Customer Engagement in Online Brand Communities'. *Journal of Service Management* 24 (3), 223-244
- Xiang, Z. and Gretzel, U. (2010) 'Role of social media in online travel information search'. *Tourism Management* 31, 179–188

## In Store Customer Experience: A First Approximation in the Construction of a Scale

Juan Bustamante, ESPOL, Ecuador

Natalia Rubio, Autónoma University of Madrid, Spain

#### **INTRODUCTION**

An increasing number of firms have recently begun to use customer experience (CX) as a key element outside the classic variables of product and price that differentiates them from their competition. Both marketing academics and practitioners insist that a largely positive CX will create a unique, sustainable advantage over time for any firm that can create it.

Berry et al. (2002) indicate that CX is the most important value proposition in an exchange relationship, as it encourages customer loyalty and willingness to pay a higher price. Along these lines, Gentile et al. (2007) argue that having a positive CX can promote creation of a unique emotional connection between brand and customer and thus favor higher levels of loyalty.

CX has been widely conceptualized as the result of customer perception of and contact with all aspects of the store's offerings, including not only the obvious characteristics and quality of customer service but also product characteristics—ease of use, advertising, and reliability (Meyer and Schwager, 2007). CX occurs when customers interact with products (product experience) and a store's physical environment (shopping experience), and consume its products (consumption experience) (Brakus et al., 2009). It thus extends from the early formation of expectations to subsequent evaluation of a consumption situation and occurs in different retail channels (Verhoef et al., 2009).

This broad conceptualization of CX has produced a vaguely defined concept, for which there is little empirical evidence to determine measurement, reach, and implications (Verhoef et al., 2009). Research on empirical validation of the CX highlights the work of Brakus et al. (2009), who developed a scale to measure CX with the product, specifically with the brand. The authors propose four dimensions of CX with brand: (1) intellectual, (2) sensory, (3) affective, and (4) behavioral. Other studies emerge subsequently to tackle construction of a scale to measure CX of services (Bagdare and Rajnish, 2013; Klaus and Maklan, 2013; Seung-Hyun et al., 2011), but these studies use antecedents and consequences of CX (quality of service, trust, and experience using the product, among others) in defining the scale's components.

To avoid the ambiguity currently involved in measuring CX, institutions and researchers advocate more scholarly research. In the retail context, Verhoef et al. (2009) propose a conceptual framework for CX and call for development of a scale to measure in-store customer experience (ISCX) broadly, going beyond classical cognitive evaluations and affective responses to shopping stimuli. The Marketing Science Institute (MSI)'s research priorities for 2012-2014 and 2014-2016 also indicate the need for more in-depth research related to CX in a shopping environment and measurement of this experience.

Based on the foregoing, this paper proposes a first approximation in the construction of a scale for measure ISCX. To do so, it takes the conceptual model developed by Verhoef et al. (2009) in the retail environment as a reference for the four possible components that define ISCX: (1) cognitive, (2) affective, (3) social, and (4) physical. These components constitute the current study's basis for developing the scale for ISCX. The study is structured as follows: First, an extensive review of the specialized literature in areas such as marketing, social and cognitive psychology, and ergonomics is performed to define and conceptualize each of the components of ISCX. The review determines the content to be assigned to the components of ISCX and enables creation of an initial set of items sufficiently inclusive to construct the scale. A qualitative investigation is then performed to better understand the different experiences that occur in the retail store, how they occur, and how they affect judgments, attitudes, and other aspects of customer behavior. Then an exploratory factorial analysis is applied to reduce the initial set of items to obtain a first approximation to an ISCX scale. Finally, the theoretical-practical implications of the research are developed and the limitations and future lines of research presented.

### THEORETICAL FRAMEWORK

One of the first research papers to show the importance of including the "experiential view" in studies of customer behavior is Holbrook and Hirschman (1982). These authors understand consumption "as [a] primarily subjective state of consciousness with a variety of symbolic meaning, hedonic responses and esthetic criteria" (p. 132). It is not until Pine and Gilmore (1998), however, that CX begins to be conceived as a relevant issue in the marketing literature. Pine and Gilmore glimpse what would become a new era in the economy, "the Experience Economy," in which customers seek situations of consumption with high symbolic and affective charges that combine amongst themselves to create a holistic, lasting personal experience. According to these authors, customers want more than high-quality products and services; they want satisfying consumption experiences.

The field of psychology defines experiences as the individual's internal, subjective responses to a stimulus. Experiences can be of different kinds, each with its own inherent structures and processes (Schmitt, 1999). Based on this assumption, Schmitt's defines experiential marketing as the interaction of five kinds of experience: sensory, affective, cognitive, physical, and social, all of which are the product of specific marketing stimuli. Experiences can occur in any direct or indirect contact between customers and firm (Meyer and Schwager, 2007). Direct contact generally occurs in the process of buying and using the product/service and is usually initiated by the customer. Indirect contact typically involves unplanned encounters with representations of a firm's products, services, or brands and is expressed in other customers' recommendations or criticism, news, reviews, etc.

In retail services, CX can be created both by elements controlled by the retailer (service interface, atmosphere, variety, price, store brand) and by elements outside his/her control (influence of third parties, reason for buying, situational factors) (Verhoef et al., 2009). These authors conceive CX as a holistic construct that includes the customer's cognitive, affective, social, and physical responses to the retailer.

#### **Components of customer experience**

Based on the foregoing, this article analyzes CX in the retail setting, specifically, the ISCX. It conceives this experience as a holistic construct that includes cognitive, affective, social, and physical customer response to the store environment (Verhoef et al., 2009). Each of the following sections develops one of these responses.

#### Cognitive experience

In its most generally accepted form, the concept of cognition indicates the faculty people use to process information from perception, knowledge acquired, and subjective characteristics that permit them to evaluate and consider some issues to the detriment of others (Da Silva and Syed, 2006; Dimofte, 2010). This definition concurs with the approach developed from the marketing perspective in Garbarino and Edell (1997), who indicate that cognition is nothing but the knowledge acquired through a combination of direct experience of the object that enables cognition and information related to various sources.

In this respect, the cognitive component is defined as the capability of marketing stimuli to activate the customer mentally, whether through direct experience with the object that provides the cognition, or by combining an object with related information from diverse sources to foster novelty, relevance, and learning.

#### Affective experience

The affective system is conceptualized as a "valenced feeling state," with mood and emotion integral to its composition (Erevelles, 1998; Richins, 1997). Affective responses vary in intensity, from slightly positive or negative moods to intense positive or negative emotions (Schmitt, 1999). In studying of CX, it is more appropriate to focus on emotions than on moods, since emotions are associated with an object that stimulates them and are more intense, whereas moods are not generally associated with an object that stimulates them and are lower in intensity (Erevelles, 1998).

This difference explains why emotions play a constructive role in human experience (Cacioppo and Gardner, 1999). They refer to a mental state that emerges as a result of the cognitive evaluations of events or thoughts. Emotions are phenomenological in tone, are accompanied by physiological processes often expressed physically (for example, gestures, postures, and facial expressions), and can give rise to specific actions that reaffirm or come to terms with the emotion, depending on its nature and meaning for the person (Bagozzi et al., 1999).

An affective experience is thus defined as the intrinsic attraction or aversion to an event, object, or situation. It is included in the components of customer experience because marketing stimuli can provoke feelings and emotions in customers. These feelings and emotions contribute to creating affective experiences that in turn affect customer behavior toward the brand/store that causes them. These experiences range from slightly positive moods connected with a brand/store to influence on the emotional value of aspects of the brand/store.

#### Social experience

The social component of ISCX is based on the quality and intensity of the relationships that can arise between the individual's ideal, the "Self" and other people with whom he/she interacts. It is thus interpreted as the individual's relationship with a broader social system, where relationships with the members who compose the system can be established with different degrees of strength (Ouwersloot and Odekerken, 2008). These relationships range from relatively simple identification with a reference group, in which customers feel connections with other users, to the formation of more complex human interactions around a brand that acts as the center of the social organization, termed brand community (Schmitt, 1999).

Under this approach, the social component of ISCX is grounded in the quality and intensity of the relationships that can emerge between the individual and other people who interact in a social environment (retail store). The social component is thus interpreted as the relationship a customer can achieve with a social system (store) in which he or she interacts with the members who compose it. This interaction is established between two groups of members: (1) customer - employees (Menon and Dubé, 2000; Hu and Jasper, 2006; Pan and Zinkhan, 2006), and (2) customer - customer (Parker and Ward; 2000; Yoo et al., 2012; Moore et al., 2005).

#### Latin America Advances in Consumer Research (Volume 4) / 77

#### 3.4. Physical experience

The physical component of customer experience refers to the customer's physiological responses in his or her interaction with the environment (Bitner, 1992). A physical experience is cemented in the customer's physiological response to a specific environment. This response can be described in terms of well-being/comfort or lack of well-being/discomfort (Kuiji-Evers et al., 2004; deLooze et al., 2003). Comfort is a state of physiological pleasure and physical harmony between individual and environment. It is the individual's subjective sensation of well-being in response to his/her environment (deLooze et al., 2003; Kuijt-Evers et al., 2004). The contrasting state of discomfort is a general state of ill-being or malaise perceived mainly on the muscular level (generates tension, fatigue, exhaustion, and pain, among other responses) in reaction to the environment (Frey et al., 2010; Lan et al., 2010).

In this sense, the physical component of customer experience is thus grounded in the customer's internal physiological response to the store environment. This response is described in terms of wellbeing/comfort or physical ill-being/discomfort fostered by the store atmosphere (Bitner, 1992; Skandrani et al., 2011).

#### **METHODOLOGY**

From what has been discussed in Jarvis et al. (2003) and Mackenzie et al. (2011), it is considered that the best configuration that can take the ISCX scale, is that of a second order formative construct. Consequently, construction of the scale follows the methodology proposed by Diamantopoulos and Winklhofer (2005), which includes two phases: (1) Item generation and selection; (2) Initial purification and dimensionality of the scale.

#### Item generation and selection

Generating the initial set of items for each component of the scale—cognitive, affective, social, and physical—requires both a review of the specialized literature and qualitative research. The items to capture the cognitive component of ISCX attempt to determine the mental responses to the marketing stimuli that the retailer store uses. The items thus arise from adaptations of the scales designed by Brakus et al. (2009), and Garbarino and Edell (1997). The items of the affective component of ISCX are constructed using scales designed by Laros and Steenkamp (2005) and Richins (1997). These scales represent the variety of emotions that customers experience with greatest frequency as a response to marketing stimuli in shopping situations.

The items for the social component of ISCX are adapted from scales developed by Moore and Moore (2005), Hu and Jasper (2006), and Pan and Zinkhan (2006). The items are written to enable determination of social experience in customer-customer and customer-employee interaction. Finally, the items of the physical experience are adapted from studies by De Looze et al. (2003), Lan et al. (2010), and Skandrianni et al. (2011). These items seek capture the customer's physiological response in his/her interactions with the servicescape.

Immediately after, a qualitative research with 14 shoppers (University undergraduates in business administration from the Autonomous University of Madrid in Spain) is performed to confirm the applicability and/or adaptability of the items obtained in the theoretical review to the specific study context and to identify appropriate stores for evaluating customer experience in the retail environment. The goal was to explore how well the theory reviewed on ISCX and its components fit shopping situations in retail stores in Spain. The participants in the qualitative research write a diary recounting in the greatest detail possible all aspects of their ISCX (thoughts, feelings,

#### 78 / In Store Customer Experience: A First Approximation in the Construction of a Scale

emotions, and sensations experienced with the different stimuli, activities, and spaces provided by the retailer in its store).

The results of both theoretical review and qualitative research yield an initial refined data set of 86 items and 6 store chains, those most highly valued in some components of purchasing experience. The chains are Decathlon (sporting goods retailer), Fnac (retailer of leisure and culture products), Sephora (retailer of beauty and personal hygiene products), Abercrombie & Fitch (clothing retailer), Apple Store (technology products retailer), and Ikea (furniture retailer). The first three chains commercialize a variety of brands in their stores, whereas the last three sell only their store brand.

Finally, a pre-test of the initial questionnaire is performed on 15 shoppers in the chains mentioned above. The shoppers evaluate the 86 items on an 11-point Likert-type scale from 0 (totally disagree) to 10 (totally agree). Redundant items are eliminated, reducing the set to 60 items, of which 11 measure cognitive experience, 19 affective experience, 12 social experience, and 18 physical experience.

Phase 2: Initial purification and dimensionality of the scale

A personal interview at the store exit was used to determine shoppers' perceptions of the items in the proposed scale for ISCX. A total of 850 completed questionnaires were obtained, of which 800 were valid. The distribution of questionnaires by store was: Fnac (176), Sephora (101), Decathlon (160), Ikea (155), Abercrombie (106), and Apple Store (102). The sociodemographic profile of the interviewees was 56.6% women and 43.4% men. The majority were 18-30 years old (57.6%), worked outside the home (70.1%), had studied at the university (63.9%), and had a medium-low income (82.2%).

An initial exploratory factor analysis of the data was performed to eliminate the items with factor loadings lower than 0.60 (Hair et al., 1999). This analysis reduced the set of items to 32, and five components that explain 71.56% of the variance in the data. It was employed a factor extraction method called principal components analysis, and a factor analysis rotation denominate varimax method. The measure of sampling adequacy Kaiser-Meyer-Olkin (KMO) showed a value of 0.94, and the Barlett Sphericity test takes a value of  $X_{1001}^2 = 35579.02; p < 0.001$  $X_{1081}^2 = 35579.02; p < 0.001$ , proving to be statistically significant. The results obtained support the components of ISCX proposed in the theoretical review, indicating five factors: (1) Cognitive experience, (2) Affective experiences, (3) Social experiences with customers, (4) Social experiences with employees, and (5) Physical experiences. Table 1 shows the factor loadings of the items on the components, percentage of the variance explain per factor, and the internal consistency of each component (Alpha Cronbach).

The correlations between components of the ISCX are presented in the table 2. All correlations were significant (P < 0.01), demonstrating the fact that ISCX components share common factors. This result, together with the results of the exploratory factorial analysis, allows us to point out with certainty the goodness-of-fit of the model in the initial reduction of items.

#### DISCUSSION

This study shows a first approximation to the measurement of an ISCX scale. Therefore, in a first section a part of the extensive theoretical revision is shown, and in the second one it is taught the methodology used to make a first sifting of items.

In relation to the conceptual framework, we would like to point out that constructing the conceptual framework developed in the research was a complex task due to the significant gaps in the marketing literature's conceptualization and generalization of each component involved in ISCX. Other scholarly disciplines were required to approach the topic from different directions—hence the frequency of multiple references from the fields of cognitive, social, and environmental psychology and ergonomics.

The results indicate that an ISCX scale has a clear multidimensional character. With an initial composition of five factors: (1) cognitive, (2) affective, (3) social with employees, (4) social with other consumers, and (5) physical. Each factor has a high internal consistency, which together with the psychometric qualities of EFA make the first and second stage in the measurement of an ISCX scale is more than satisfactory.

Each level of aggregation observed in this first approach of construction of the scale ISCX has great theoretical importance, specifically at the level of the observable variables, with the following significant implications. The cognitive items refer to a specific pattern of neuronal activation (thoughts). These activation patterns must in principal can be stored, and in some cases even reproduced, in the absence of the stimulus that caused them (Garbarino and Edell, 1997; Smith and Swinyar, 1988). Only so can the information they contribute be recovered and used in different contexts.

The affective items reflect important emotional descriptors with a positive valence, which can in themselves cause greater activation in the region of the brain involved in decision making, among other processes (Davidson et al., 1999). If a stimulus is well designed to awaken emotions such as happiness, optimism, etc, a customer will be more likely to choose that stimulus, as well as its meaning and what the meaning implies. This insight is fundamental. It helps to restrict the number of options, reduce the time required to make decisions, and simplify the evaluation of options.

Some items of the social component are related to social experience rience with customer's. Other items are related to social experience with employees. The two groups of items reflect the level of pleasure and importance a customer grants the social experience with the retailer. This means that the customer wants not only the functional benefits inherent in interaction with customers and employees but also the social benefits (Hu and Jasper, 2006; Pan and Zinkhan, 2006), which range from casual conversation with employees to a deep feeling of social involvement with the retail store.

Finally, the items of the physical component represent the importance of physiological well-being during the shopping experience. Experiencing a physical response of energy, vitality, comfort, relaxation, etc, during the store visit reveals the customer's state of physiological well-being and physical harmony with the store environment (Kuijt-Evers et al., 2004). Such well-being translates into greater attraction to the retail store, which also influences feelings and beliefs about it and about the people who interact there (Baker et al., 1992). A neglected, unattractive environment that causes the customer physical discomfort, will generally have a negative effect on the shopping experience.

The ISCX scale proposed here (Still missing validation stages) provides a useful tool for academics and practitioners to continue research on the possible stimuli to improve ISCX and its components, as well as to analyze the economic and relational consequences of obtaining better levels of ISCX.

The research performed is not without the limitations explained here. It is necessary from the results shown make a confirmatory analysis to have a final purification process items. Once a definitive scale of ISCX is obtained, it should be validated in different countries and commercial contexts, to obtain a check of its generality.

Table 1
Exploratory factor analysis and internal consistency

Idama af dha ISOV anala			Factor load		
Items of the ISCX scale	Factor 1	Factor 2	Factor 3	Factor 4	Factor 5
The environment of this retail store, the display of its products,					
services, etc.:					
Makes me think and reflect (CE2)	0.67				
Teaches me interesting things (CE4)	0.66				
Awakens my curiosity (CE5)	0.63				
Awakens my creativity (CE6)	0.74				
Brings interesting ideas to mind (CE7)	0.73				
Inspires me (CE9)	0.69				
Interests me (CE10)	0.62				
The environment of this retail store, the display of its products,					
services, etc., make me feel:					
In a good mood (AE1)		0.77			
Contented (AE2)		0.81			
Happy (AE3)		0.82			
Optimistic (AE4)		0.82			
Hopeful (AE5)		0.77			
Enthusiastic (AE6)		0.78			
Thrilled (AE7)		0.80			
Surprised (AE8)		0.66			
Amazed (AE9)		0.68			
Astonished (AE10)		0.69			
Of social interaction in this store, I would say that:		0.05			
I like to advice customers who ask my opinion on this store's products/			0.82		
services (SEC1)			0.02		
I am interested in the opinions of customers who shop at this store (SEC3)			0.81		
I like to share opinions with this store's customers (SEC5)			0.78		
I like to interact with this store's customers (SEC6)			0.85		
I like being a member of the community of customers who shop at this store			0.05		
(SEC7)			0.84		
Of social interaction in this store, I would say that:			0.04		
I like to give my opinion to this store's employees (SEE1)				0.61	
I like to receive advice from this store's employees (SEE2)				0.83	
I am interested in the opinions of this store's employees (SEE2)				0.83	
I like to share my opinions with this store's employees (SEE4)				0.85	
I like to interact with this store's employees (SEE5)				0.79	
The environment of this retail store, the display of its products, services,				0.75	
etc., make me feel:					
Energy (PE1)					0.70
Vitality (PE2)					0.70
Comfort (PE3)					0.70
Relaxation (PE4)					0.93
Well-being (PE5)					0.90
Eigenvalue	12.36	9.25	6.32	4.76	2.92
Variance per factor (%)	26.02	9.23	11.32	6.87	5.03
Cronbach's alpha	0.92	0.96	0.90	0.87	0.93
	0.92	0.90	0.90	0.71	0.93

\* p < 0.001

## Table 2. Pearson's correlation between components of the ISCX.

	Affective	SEE	SEC	Physical	Total scale
Cognitive	0.584	0.32	0.31	0.54	0.64
Affective		0.29	0.24	0.63	0.73
SEE			0.56	0.39	0.69
SEC				0.35	0.71
Physical					0.67

**Note:** SEE= Social experience with employees; SEC= Social experience with customers. \*\*\* p-valor < 0,01; \*\* p-valor < 0,05; \* p-valor < 0,10.

#### 80 / In Store Customer Experience: A First Approximation in the Construction of a Scale

#### REFERENCES

Bagdare, S., & Rajnish, J. (2013). Measuring retail customer experience. International Journal of Retail & Distribution Management, 41, 790-804.

Bagozzi, R. P., Gopinath, M., & Nyer, P. U. (1999). The role of emotions in marketing. Journal of the Academy of Marketing Science, 27, 184-206.

Baker, J., Levy, M., & Grewal, D. (1992). An experimental approach to making retail store environmental decisions. Journal of Retailing, 68, 445-60.

Berry, L. L., Carbone, L. P., & Haeckel, S. H. (2002). Managing the Total Customer Experience. Sloan Management Review, 43, 85-90.

Bitner, M. J. (1992). Servicescapes: The Impact of Physical Surroundings on Customers and Employees. Journal of Marketing, 56, 57-71.

Brakus, J., Schmitt, B. and Zarantonello, L. (2009). Brand experience: What is it? How is Measured? Does it affect loyalty? Journal of Marketing, Vol. 73 No. 2, pp. 52-68.

Cacioppo, J. T., & Gardner, W. L. (1999). Emotion. Annual Review of Psychology, 50, 191-214.

Da Silva, R. V., & Syed, S. F. (2006). Cognitive, affective attributes and conative, behavioral responses in retail corporate branding. Journal of Product and Brand Management, 15, 293-305.

Davidson, R. J., Coe, C. C., Dolski, I., & Donzella, B. (1999). Individual differences in prefrontal activation asymmetry predict natural killer cell activity at rest and in response to challenge. Brain, Behavior and Immunity, 13, 93-108.

de Looze, M. P., Kuijt-Evers, L. F & Van Dieën, J. (2003). Setting comfort and discomfort and the relationships with objective measures. Ergonomics, 46, 985-997.

Diamantopoulos, A., & Winklhofer, H. M. (2001). Index construction with formative indicators: An alternative to scale development. Journal of Marketing Research, 38, 269-277.

Dimofte, C. V. (2010). Implicit Measures of Consumer Cognition: A Review. Psychology & Marketing, 27, 921-937.

Erevelles, S. (1998). The role of affect in marketing. Journal of Business Research, 42, 199-215.

Frey, L. L., Lee, J. E., McMulle, T. R., & Xia, T. (2010). Relationships between maximum holding time and ratings of pain and exertion differ for static and dynamic tasks. Applied Ergonomics, 42, 9-15.

Garbarino, E. C., & Edell, J. A. (1997). Cognitive effort, affect, and choice. Journal of Consumer Research, 24, 147-158.

Gentile, C., Spiller, N., & Noci, G. (2007). How to sustain the customer experience: An overview of experience components that co-create value with the customer. European Management Journal, 25, 395-410.

Hair, J., Anderson, R., Tatham, R. and Black, W. (1999). Análisis multivariante, Prentice Hall Iberia, 5<sup>th</sup> ed., Madrid.

Holbrook, M. B., & Hirschman, E. C. (1982). The experiential aspects of consumption: Consumer fantasies, feelings, and fun. Journal of Consumer Research, 9, 132-140.

Hu, H., & Jasper, C. R. (2006). Social cues in the store environment and their impact on store image. International Journal of Retail and Distribution Management, 34, 25-48.

Jarvis, C. B., MacKenzie, S. B., & Podsakoff, P. H. (2003). A critical review of construct indicators and measurement model misspecification in marketing and consumer research. Journal of Consumer Research, 30, 199-218. Klaus, P., & Maklan, S. (2013). Towards a better measure of customer experience. International Journal of Market Research, 55, 227-246.

Kuijt-Evers, L. F., Groenesteijn, L., de Looze, M., & Vink, P. (2004). Identifying factors of comfort in using hand tools. Applied Ergonomics, 35, 453-458.

Lan, L., Lian, Z., & Pan, L. (2010). The effects of air temperature on office workers' well-being, workload and productivityevaluated with subjective ratings. Applied Ergonomics, 42, 29-36.

Laros, F. J., & Steenkamp, J. E. (2005). Emotions in consumer behavior: A hierarchical approach. Journal of Business Research, 58, 1437-1445.

MacKenzie, S. B., Podsakoff, P. M., & Podsakoff, N. P (2011). Construct measurement and validation procedures in MIS and behavioral research: Integrating new and existing techniques, MIS Quarterly, 35, 293-334.

Marketing Science Institute (MSI) (2016), "Research priorities of the Marketing Science Institute, 2016-2018", available at: <u>http://www.msi.org/research/2016-2018-researchpriorities/</u><u>delivering-integrated-real-time-relevant-experiences-in-</u><u>context/</u>

Menon, K. & Dubé, L. (2000). Ensuring greater satisfaction by engineering salesperson response to customer emotions. Journal of Retailing, 76, 285-307.

Meyer, C. & Schwager, A. (2007). Understanding customer experience. Harvard Business Review, 85, 116-126.

Moore, R., Moore, M., & Capella, M. (2005). The impact of customer-to-customer interactions in a high personal contact service setting. The Journal of Services Marketing, 19, 482-491.

Ouwersloot, H., & Odekerken-Schröder, G. (2008). Who's who in brand communities—and why? European Journal of Marketing, 42, 571-585.

Pan, Y., & Zinkhan, G. (2006). Determinants of retail patronage: A meta-analytical perspective. Journal of Retailing, 82, 229-43.

Parker, C., & Ward, P. (2000). An analysis of role adoptions and scripts during customer-to-customer encounters. European Journal of Marketing, 34, 341-359.

Pine, B., & Gilmore, J. H. (1998). Welcome to the experience economy. Harvard Business Review, July-August, 97-105.

Richins, M. L. (1997). Measuring emotions in the consumption experience. Journal of Consumer Research, 24, 127-146.

Schmitt, B. (1999). Experiential marketing. Journal of Marketing Management, 15, 53-67.

Seung-Hyun, K., Cha, J., Knutson, B., & Beck, J. A. (2011). Development and testing of the Consumer Experience Index (CEI). Managing Service Quality: An International Journal, 21, 112-132.

Skandrani, H., Dahmane, N. B., & Malek, F. (2011). Effect of store atmospherics on employees' reactions. International Journal of Retail and Distribution Management, 39, 51-67.

Smith, R. E., & Swinyard, W. R. (1988). Cognitive response to advertising and trial: Belief strength, belief confidence and product curiosity. Journal of Advertising, 17, 3-14.

Verhoef, P. C., Lemon, K. N., Parasuraman, A., Roggeveen, A., Tsiros, M. & Schlesinger, L. (2009). Customer experience creation: Determinants, dynamics and management strategies. Journal of Retailing, 85, 31-41.

Yoo, J., Todd, J. A. & Frankwick, G. L. (2012). Effects of positive customer-to-customer service interaction. Journal of Business Research, 65, 1313-1320.

## **Beyond Emotional Labor in Hedonic Servicescapes**

Nacima Ourahmoune, KEDGE Business School, France

## INTRODUCTION AND FRAMEWORK DEVELOPMENT

Consumer culture theory has tackled the topic of service providers of hedonic experiences for consumers (Deighton, 1992; Arnould and Price 1993; Penaloza and Gilly 1999; Borghini et al. 2009; Goulding et al. 2009; Kozinets et al. 2004; Sherry et al. 2004; Thompson and Arsel 2004; Joy and Sherry 2003, Ustuner and Thompson 2012). Yet are missing the sexualized aspects as performed by service providers and consumed on site.' The role of the body in these performances is central. CCT engaged in conceptualization of the body through consumer reprezentations and branding strategies mainly. In this paper we look at how the workers in touristic resort display bodily performances and how it affects them as well as the touristic experience. The Body related to work purposes differs from consumption: it is erased for factory workers (body as tool), it is prominent in services (consider the fashion shopping experience for instance). Organization studies refer to Emotional Labor in servicescapes. 'Emotional labor' (Hoschild 1983) is emotion management within the workplace according to employer expectations. It creates a situation in which this emotion management can be exchanged in the marketplace. According to Hochschild (1983), jobs involving emotional labor require face-toface or voice-to-voice contact with the public; require the worker to produce an emotional state in another person; allow the employer, through training and supervision, to exercise a degree of control over the emotional activities of employees. This theory of Emotional Labor discussed in term of style of management, leadership is also recently questioned in terms of Ethics (Smith, 2005; Lut and Guyz, 2015). We argue in this research that 'emotional labor' does not capture the full process of employees' bodily performances, and especially the aspects of eroticization. Moreover, most research occurs in the West and does not address post-colonial contexts. We investigate a Latin-American context, the Dominican Republic as the leading touristic destination in the Caribbean.

#### METHOD

This research builds on a longitudinal ethnographic research: 10 years= over 40 weeks in the field. A group of Dominican people part of the staff in a resort representative of the local offer were encountered multiple times from a stay to another enriching the data collection. I did share activities with informants (local dance, disco, visit of native towns/family...). I performed observations, informal/ formal interviews; hundreds photographs were also taken. Some informants stay in contact via social media allowing on-going discussions. In depth Interviews took place in Punta Cana, lasted 40min-2h. I interviewed (17 Dominican men working in Punta Cana; 12 Dominican women working in Punta Cana). The interviews followed McCracken's (1988) recommendations and allowed freedom to the informants to tell their stories without setting a structured agenda for the interview. The role of the interviewer is to ask for descriptions and prompt for details while the major themes under-investigation appeared spontaneously during a "natural conversation" (Thompson, Locander and Pollio 1989). Several interviews with the same informant over time and discussions of preliminary results with some others enrich the research design.

### RESULTS

#### Leveraging Eroticization scripts in post-colonial hedonic servicescapes

Resorts management teams do build on uniforms to display the language of erotics and status (tight cuts, short skirts, transparent pants...). Most of resorts do also play the confusion of the native body with nature through tropical prints and cuts that exaggerate some body features (and re-update the colonial fascination of the mestizo bodyshape). The selection of bodies and light skinned worker for functions of representation is common. When dark skinned bodies are involved (animation staff) the scripts are sexualized. In the recent years the researcher and the informants noticed some family resorts that claim being far from sex tourism yet have intensified the narrative of eroticization in the disco choregraphy for instance yet maintaining prohibition of close contact between clients and staff. This actually leads to informal prostitution as a response from employees under-subordination; it also feeds tourists' frustration attracted by the sensualized atmosphere constructed by means of marketing. Locating the micro in the macro, we can show the tourism industry portrays these places as "paradise," "unspoiled" "sensuous" or other distortions, presumably to compensate for the obvious poverty beyond the hotel or sightseeing bus. Kempadoo (2004) mentions how the tourism industry extends the colonial narrative of the sensuous Caribbean (the myth of the unchanged, the myth of the unrestrained, the myth of the uncivilized) that ultimately leads locals to sell their bodies to transnational consumers.

#### Eroticscape: behind the scene

Most of my informants met about 8 to 10 years ago do smoke now, drink sometimes heavily (Jackson became alcoholic, he was fired), and do experience mental and physical health issues: diminished self-esteem, sexual permissiveness and an increased propensity for high-risk sexual activity among others; unhealthy dieting, eating disorders, and surgical procedures to remedy their perceived inadequacies; sleep issues (pills, drugs)

My informants are self-reflexive and confide about a more demanding management in terms of attractiveness and eroticization: in this context some embody the neoliberal vision and use their body to earn a living; for some of them this became a gate to informal prostitution, for others this has created a moral conflict. To escape this reality some took heavy life decisions: Melvin went back to the difficult « Dominican Life » earning less in his hometown; Michael Angelo is a priest now (radical transformation), Miguel left the job, his country and his family, this was possible thanks to a marriage with an Italian tourist he was not yet in love with. These narratives demonstrate a subtle use of erotic capital as we discuss next going beyond emotional labor, yet without further upward mobility as a compensation for the display of erotic capital by workers.

#### **DISCUSSION AND CONCLUSIONS**

We contribute a discussion of erotic capital (Hakim, 2010). Erotic capital is the "fourth personal asset" (Hakim, 2010: 500), which, together with social, cultural and economic capital, completes Bourdieu's (1984, 1997) formulation of the resources that organize systems of stratification. Our findings seem to confirm beyond emotional labor, servicescapes do deal with issues of erotic capital. Hakim focuses on women, I extend the evidence of the phenomenon to men in a Latin-American context. Beyond moral judgement, our field questions the ability of erotic capital to address gender in-

## 82 / Beyond Emotional Labor in Hedonic Servicescapes

equality and the ability to empower staff through erotic capital. I suggest that the central problem with Hakim's analysis is that she appropriates Bourdieu's concept of capital but ignores the broader framework in which he embedded it—field theory. Hakim's theory overestimates individual agency to the expense of a more nuanced

attention to structure. By contrast, we propose the erotic capital if it allows individuals to access work it rarely equates social promotion, it can also alter self-esteem and reinforce major (structural) social and racial binary oppositions.

## The Cultural Agenda And Leisure Time In Medellín, From The Perspective Of The Online Content Experiences Shared

Laura Rojas De Francisco, Universidad EAFIT, Colombia Juan Carlos Monroy Osorio, Universidad EAFIT, Colombia

## EXTENDED ABSTRACT

The offer of the cultural agenda to attend museums, performing arts events, galleries, literary encounters, narration or any event related to the production of creators of the cultural industry, projects related aspects that can show what a city like Medellin, can represent for the solution of leisure needs of both its inhabitants and visitors.

The organization in which culture is produced, managed and promoted must be centered on reaching out users, consumers, public or customers of cultural products and also guide creators and managers to reach them. This requires promotional efforts, which in many cases may be easier to implement, when individuals and organizations use information and communication technologies - ICT, to publicly share content in social networks like the wall on Facebook, or by Twitter, Instagram or other microblogging services and applications.

Also, is important to have in mind that this services, facilitate not only information, but also make possible the interaction between users, so this provides an opportunity to announce the cultural products and events and also to research what consumers want in their interactions and thus, determine the aspects in which can be necessary to focus the cultural production in its promotion.

The study from which this article arose, is framed in the studies of leisure from the cultural perspective, that comprises the cultural production and cultural creations and products that people can choose to do leisure activities and enjoy cultural events during their free time. Also finds fundaments in the creative industries perspective, to understand the processes in which the creativity joins cultural manifestations, to produce cultural products and services of economic importance.

Inside the creative industries, cultural productions and events there is an option to enjoy cultural activities experimented in a social context, in which socio-economic aspects, have implications in the constitution of a place reputation or brand.

The study finds data considering cultural agenda and possibilities in the city of Medellin and thus seeks the shared contents about topics of music, poetry, painting, sculpture, dance, photography, body and theatrical expression, or all those that contribute to the expression of identity, in online interaction between creators, managers and cultural organizations. This document shows how information about the cultural offer is explored and the content published online is analyzed, in order to detect or understand how ICT users interact and share their opinions about cultural products and events happening in the city.

To achieve this, the study uses a methodology that includes the use of web analytics, web scrapping and data mining using the IBM Bluemix's API; tools that provide data and information that once filtered through refine software, can establish the sources where information about cultural leisure is shared by users and cultural organizations in digital contents. Those contents considered as small data, are extracted, filtered and analyzed using CADQAS software, in order to establish social actors, networks, nodes and subjects.

In addition, when analyzing the complexity in social networks and its relationships, it is sought to have a preliminary view on the degree of effectiveness of the strategies thus implemented. To do that, the contents of the messages are codified and classified to obtain thematic categories that can be interpreted and analyzed to understand what is the subject of the conversation.

Findings show that the contents management don't have a constant flow, have an occasional character and are dispersed, there is not a center in which converges or articulate the efforts. Thus, rather than seeing it as a problem, is good news, as that provides evidence that these strategies exist and there is interest in using these channels of communication and that suppose a chance to find more efficient ways to formulate strategies for cultural marketing promotion.

There are also examples of good practices of nodes and originators of information. What is required is to join efforts to improve dissemination, following marketing strategies throughout the year, strengthening those made by the different cultural actors detected and monitoring content management to get in touch with actors and organizations found.

The information found allowed the identification of initiatives, social actors and trends related to the promotion and cultural agenda of Medellin, in social networks; which can be seen as an input for the design of marketing strategies that both creators and cultural organizations can use in their plans and tactics of communication and promotion.

This exploration and the subsequent analysis that can be done on what is found can support the identification of the city cultural agenda and understand the promotion mechanisms and strategies used, as well as the responses of users of digital social networks and consumers of cultural creations and artistic activities. It also reflects aspects that outline the identity of the city and contribute to the creation of a city-brand for Medellin.

*Keywords:* cultural marketing, communication strategy, social network analysis

#### REFERENCES

Boorsma, M., & Chiaravalloti, F. (2010). Arts Marketing Performance: An Artistic-Mission-Led Approach to Evaluation. *The Journal of Arts Management, Law, and Society*, 40(4), 297–317. http://doi.org/10.1080/10632921.201 0.525067

Coalter, F. (1997). Leisure sciences and leisure studies: Different concept, same crisis? *Leisure Sciences*. http://doi. org/10.1080/01490409709512254

De Grazia, S. (1994.). *Of time, work, and leisure*. New York: Vintage Books ed.

Glancy, M. (1995). Studying the social aspects of leisure: Development of the multiple-method field investigation model (MMFI). Journal of Leisure Research, 27(4), 305–323.

Haworth, J., & Lewis, S. (2005). Work, leisure and well-being. British Journal of Guidance & Counselling, 33(1), 67–79. http://doi.org/10.1080/03069880412331335902

Hesmondhalgh, D. (2010). User-generated content, free labour and the cultural industries. *Ephemera: Theory and Politics* 10(3/4), 267–284.

Hesmondhalgh, D. (2013). *The Cultural Industries*: (3rd ed.). Leeds: Sage.

#### 84 / The Cultural Agenda And Leisure Time In Medellín, From The Perspective Of The Online Content Experiences Shared

- Hills, P., Argyle, M., & Reeves, R. (2000). Individual differences in leisure satisfactions: an investigation of four theories of leisure motivation. *Personality and Individual Differences*, 28(4), 763–779.
- Iso-Ahola, S. E. (1980). The social psychology of leisure and recreation. In D. Gray, R. Kaplan, & A. Lockhart (Eds.), Social Psychology. Toledo, OH: C.Brown Company Publishers.
- Kamara, Y. (2004). *Keys to Successful Cultural Enterprise Development in Developing Countries*. UNESCO Arts and Cultural Enterprise Division. New York
- Kaplan, A. M., & Haenlein, M. (2010). Users of the world, unite! The challenges and opportunities of Social Media. *Business Horizons*, 53(1), 59–68. http://doi.org/10.1016/j. bushor.2009.09.003
- Kyle, G., & Chick, G. (2002). The social nature of leisure involvement. *Journal of Leisure Research*, 34(4), 426–448.

Lingo, E. L., & Tepper, S. J. (2013). Looking Back, Looking Forward: Arts-Based Careers and Creative Work. *Work and Occupations*, 40(4), 337–363. http://doi. org/10.1177/0730888413505229

- Mangold, W. G., & Faulds, D. J. (2009). Social media: The new hybrid element of the promotion mix. *Business Horizons*, 52(4), 357–365. http://doi.org/10.1016/j.bushor.2009.03.002
- Mannell, R., & Kleiber, D. (1997). A social psychology of leisure. Social Psychology. State College, PA: Venture Publishing inc.
- Miettinen, S. (2011). Service Design: New Methods for Innovating Digital User Experiences for Leisure. In Lytras M (Ed) Digital Culture and E-Tourism: Technologies, (pp. 36–38). http://doi. org/10.4018/978-1-61520-867-8.ch003
- Miller, T. (2009). From Creative to Cultural Industries. *Cultural Studies*, 23(1), 88–99. http://doi. org/10.1080/09502380802326660
- Parker, S. (1998). The future of leisure: making leisure work: a rejoinder. *Leisure Studies*, 17(1), 53–55.
- Ravenscroft, N., & Gilchrist, P. (2008). The emergent working society of leisure. *Journal of Leisure Research*, 41(September), 1–35. Retrieved from
- Shahhosseini, A., & Tohidy Ardahaey, F. (2011). Marketing Mix Practices in the Cultural Industry. *International Journal of Business and Management*. 6(8) 230-234
- UNESCO. (2013). Informe sobre la economía creativa: ampliar cauces de desarrollo local. New York - Paris. UNESCO

## The Role of Perceived Consumer Effectiveness in Recycling Behavior: an Indirect Pathway Through Another Pro-environmental Behavior

Claudia Arias, Universidad de Los Andes, Colombia

### EXTENDED ABSTRACT

Sustainable development requires encouraging a responsible consumption that involves the adoption of pro-environmental behaviors. Unfortunately, although people want to act sustainably, they do not always do so. This phenomenon called behavioral gap has encouraged the study of factors which influence the adoption of proenvironmental behaviors. This study explores the role of Perceived Consumer Effectiveness (PCE) in one of these behaviors: recycling. We propose an approach in which PCE, defined as the individuals' perception of the impact of their actions to solve problems (Kinnear, Taylor, & Ahmed, 1974; Allen, 1982; Ellen et al., 1991), encourages recycling through another pro-environmental behavior: reusing bags.

Recycling is an important behavior whose analysis in fifty years has involved multiple factors that influence its adoption. These variables involve motivators (volition) and facilitators (structures), which can be both internal and external (Hornik et al, 1995; Miafodzveva v Brandt, 2013). The study of this multifaceted concept requires the analysis of both the different factors and the interactions among them. Few studies have addressed the interactions between these variables to better understand how and why people choose to recycle (e.g. individualism, collectivism and internal Locus of Control influence beliefs about recycling and these beliefs influence recycling behavior (McCarty and Shrum, 2001). Moreover, attitudinal variables could increase the likelihood of adopting recycling behavior in the long term (Hornik et al, 1995). One of these variables is PCE which has had remarkable value in the analysis of pro-environmental behaviors, but little attention has received in relation to recycling. Because PCE has explanatory power in sustainable conducts, and because it could be even more effective in explaining specific behaviors (Gill, Crosby & Taylor, 1986; Wiener y Doescher, 1991; Rothbaum, Weisz, & Snyder, 1982), the study of PCE in relationship with the specific behavior of recycling is relevant.

We propose two models to analyze this relationship. Because PCE has shown significant and positive relationships with attitudes, knowledge and aggregated behaviors related to environmental sustainability (Webster, 1975; Ellen et al, 1991; Berger y Corbin, 1992), we hypothesize that this variable will have the same relationship with the specific behavior of recycling. We propose a first model of the relationship between an aggregate index of PCE (perceived effectiveness on the world, people and environment), and an aggregate

index of recycling, composed of perceived knowledge, importance of the recyclable attribute and recycling conduct (H1). However, because neither the elements of the PCE index nor the elements of the recycling index are sufficiently correlated to support the validity of a construct<sup>1</sup>, we propose a second model focused directly on the specific relationship between environmental PCE and recycling behavior. In this model, we state the possibility of involving reuse behavior as a mediating variable between PCE and recycling (H2). Although other behaviors have not been involved in the analysis of recycling, we suggest this idea since literature has highlighted the importance of environmental experience in the adoption of sustainable consumption behaviors (Cherrier, 2006). Moreover, we decided that using reusable bags could be a mediating behavior because it is related to waste management like recycling; however, reducing, reusing and recycling are different behaviors whose relationship deserves attention.

We use data from a wide study on sustainable consumption undertaken in Colombia in 2015. A representative sample of 1286 people was surveyed about biodiversity, consumption habits and opinions on sustainability issues. Through multiple regression analysis by OLS and using the Plug in PROCESS 2.11 in SPSS (Hayes, 2013), we tested both hypotheses. The results show that there is a positive and direct relationship between the indexes of PCE and recycling. This finding supports H1, is consistent with the literature and highlights the importance of PCE in the analysis of recycling behavior. For the second model, findings reveal that PCE influences reuse behavior and this in turn explains the adoption of recycling behavior.

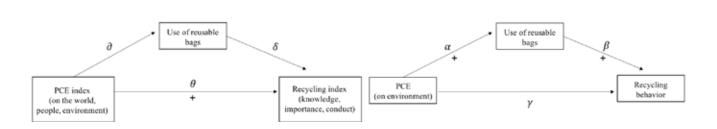
Accordingly, this research suggests a possible path to explain the adoption of recycling involving new factors like the individual's perceived effectiveness and other related behaviors; additionally, this study opens a research agenda focused on the influences between proenvironmental behaviors, the adoption of these behaviors in stages, and the interaction of behaviors with attitudinal variables. Organizations could increase the PCE to encourage sustainable conduct in waste management; however, working on perceived effectiveness is not enough. Organizations need to understand the behaviors' characteristics and differences if they are interested in fostering real adoption of pro-environmental behaviors and closing the behavioral gap.

Cronbach's Alpha: < 0,5

#### Graphic 1. Models

Model 1: Relationship between PCE index and Recycling index





1

Latin America Advances in Consumer Research Volume 4, © 2017

#### 86/The Role of Perceived Consumer Effectiveness in Recycling Behavior: an Indirect Pathway Through Another Pro-environmental Behavior

TABLE 1. Results

Mødel	Total Effect	Direct Effect	Indirect Effec
1. Relationship between PCE index and Recycling index			
PCE index -> Recycling index	0,063*	0,005*	-0,004
PCE index -> Use of reusable bags		-0,038	
Use of reasable bags -> Recycling index		0.096**	
Centrel variables			
Age		0,016*	
Gender		-0,004	
Household size		-0,005	
2. Mediation relationship between environmental PCE and recycling			
h elsa ví or			
Environmental PCE -> Use of reusable bags		-0,051*	
Use of reasable bags -> Recycling behavior		0,145**	
Environmental PCE -> Use of reasable bags -> Recycling behavior	-0,013	-0,005	-0,007*
Control variables			
Age		0,042**	
Gender		-0,055	
Household size		-0.004	

p < 0.05 p < 0.01

- Allen, C. (1982). Self-Perception Based Strategies for Stimulating Energy Conservation. Journal of Consumer Research, 8. 381-390.
- Berger, I., & Corbin, R. (1992). Perceived Consumer Effectiveness and Faith in Others as Moderators of Environmentally Responsible Behaviors. Journal of Public Policy & Marketing, 11(2). 79-89.
- Cherrier, H. (2006). Consumer identity and moral obligations in non-plastic bag consumption: a dialectical perspective. International Journal of Consumer Studies, 30(5). 515-523.

Ellen, P., Wiener, J., & Cobb-Walgren, C. (1991). The Role
of Perceived Consumer Effectiveness in Motivating
Environmentally Conscious Behaviors. Journal of Public
Policy & Marketing, 10(2). 102-117.
Gill, J., Crosby, L., & Taylor, J. (1986). Ecological Concern,
Attitudes, and Social Norms in Voting Behavior. Public
Opinion Quarterly, 50. 537-554.
Hayes, A. (2013). Introduction to Mediation, Moderation, and
Conditional Process Analysis. A Regression-Based Approach.
Nueva York, Estados Unidos: Guilford Press.
Hornik, J., Cherian, J., Madansky, M., & Narayana, Ch. (1995).
Determinants of Recycling Behavior: A Synthesis of Research
Results. The Journal of Socio-Economics, 24(1). 105-127.
Kinnear, T., Taylor, J., & Ahmed, S. (1974). Ecologically
Concerned Consumer: Who Are They? Journal of Marketing,
38. 20-24.
Miafodzyeva, S., & Brandt, N. (2013). Recycling Behaviour
Among Householders: Synthesizing Determinants Via a Meta-
analysis. Waste Biomass Valor, 4. 221-235.
McCarty, J., & Shrum, L.J. (2001). The Influence of Individualism,
Collectivism, and Locus of Control on Environmental Beliefs
and Behavior. Journal of Public Policy & Marketing, 20(1).
93-104.
Rothbaum, F., Weisz, J., & Snyder, S. (1982). Changing the World

- and Changing the Self: A Two-Process Model of Perceived Control. Journal of Personality and Social Psychology, 42(1). 5-37.
- Webster, F. (1975). Determining the Characteristics of the Socialiy Conscious Consumer. Journal of Consumer Research, 2. 188-196.
- Wiener, J., & Doescher, T. (1991). A Framework for Promoting Cooperation. Journal of Marketing. (April). 38-47.

## Financial Knowledge and Well-Being of Vulnerable Consumers: The Financial Education Process of Low-Income Older People

Wilderson Moisés Furtado, FEA-USP, Brazil João do Carmo Ribeiro Neto, FEA-USP, Brazil

### EXTENDED ABSTRACT

Having the research problem "how the financial education of low-income older people is related to their well-being", the literature review was based on several studies in a way they were considered to be those over 60 years-old (Moschis, Mosteller & Fatt, 2011; Szmigin & Carrigan; 2001; Yoon, Cole & Lee, 2009); financial education (Parrotta & Johnson, 1998; Pham, Yap & Dowling, 2012; Savoia, Saito e Santana, 2007; Tatzel, 2002; Williams, 2007) relied on money/ credit/risk management, planning, savings and social welfare; and well-being summarized into happiness, depression, and life satisfaction (Burroughs & Rindfleisch, 2002; Diener, Oishi & Lucas, 2003; Hsee e Hastie, 2006; Martin & Hill, 2012).

Herein, in this current qualitative and exploratory study, respondents were conveniently selected in São Paulo, Brazil, reaching an amount of 14 interviewees with 12 valid ones, in which 6 were female and 6 male, between the ages of 60 and 82. It is important to mention that for the selection of a low-income group, retired/financial-aided interviewees were selected. Interviews had the total of 10 hours and 10 minutes of recorded content, and were transcribed by means of the software Nvivo© 11, in a two phases: July of 2016 and January of 2017.

By these methodological proceedings (Flick, 2009; Gibbs, 2009; Rubin & Rubin, 1995; Sampieri, Collado, & Lucio, 2006), fifteen codes were identified: ten aimed at categorizing the financial knowledge of the interviewees, called "awareness" (opportunity, resource management, negotiation, credit, priority, ownership, investment, risk, planning, controlling and results awareness); five aimed at the constructs related to the financial education of the low-income olders (popular opinion, religious orientation, motivations, personal values, and barriers).

By way of explanation, these interviewees seemed to have a more accurate opportunity awareness than the other financial knowledge codes, since they did not know when they would have another financial opportunity to acquire what they wanted/needed. By that, the optimization of their yield resources, the investment on their children's education, the financial planning, and the usage of formal/ informal credit were somehow consequences of the opportunities they had, meanwhile risks were forgotten by the interviewees.

Furthermore, these awareness codes were guided by the ones related to the financial education process (religious orientation might change the priority awareness, for instance), which not only contributed to the interviewees' awareness about finances, but also to their well-being, which, in turn, was related to their most recent achievements rather than to its whole process defined by the literature (life satisfaction as a combination of happy moments). In other words, purchasing a meat would be as expressive as finishing paying a house, if it was the last acquisition.

That is, it was seen that although the low-income aged people of this study were somehow aware of finance, they might be based on fallacies; and that despite the fact they wished they improved their financial decisions, they saw themselves as dependents on opportunities, which were few. In addition, their financial knowledge and their well-being seemed to be dependent on the financial education factors, fact that increased their vulnerability. Thus, these findings suggest private or public practices that provide low-income older with structured information/education, and also protection from financial blows and frauds (i.e. they are not familiarized with technology just as the case of digital banking services). Besides that, it is relevant to remember that this study is limited in its literature review; in the selection criteria of the research subjects (for the age and yield); in the places in where the subjects could be found (Catholic churches and Christian congregations); as well as in its data-collection technique and analysis. Hence, not only future researches that take into consideration other age groups and other older social classes but also studies with different research approaches and techniques are recommended.

- Burroughs, J. E., & Rindfleisch, A. (2002). Materialism and wellbeing: a conflicting values perspective. *Journal of Consumer Research*, 29(3), 348–370.
- Diener, E., Oishi, S., & Lucas, R. E. (2003). Personality, Culture, and Subjective Well-Being: Emotional and Cognitive Evaluations of Life. Annual Review of Psychology, 54(1), 403–425.
- Flick, U. (2009). *Na introduction to qualitative research*. California: Sage.
- Gibbs, G. (2009). *Análise de dados qualitativos*. Porto Alegre: Artmed.
- Hsee, C. K., & Hastie, R. (2006). Decision and experience: Why don't we choose what makes us happy? *Trends in Cognitive Sciences*, 10(1), 31–37.
- Martin, K. D., & Paul Hill, R. (2012). Life Satisfaction, Self-Determination, and Consumption Adequacy at the Bottom of the Pyramid. *Journal of Consumer Research*, 38(6), 1155– 1168.
- Moschis, G. P., Mosteller, J., & Fatt, C. K. (2011). Research Frontiers on Older Consumers' Vulnerability. *Journal of Consumer Affairs*, 45(3), 467–491.
- Parrotta, J. L., & Johnson, P. J. (1998). The Impact Of Financial Attitudes And Knowledge On Financial Management And Satisfaction Of Recently Married Individuals. *Journal of Financial Counseling and Planning*, 9(2), 59–75.
- Pham, T. H., Yap, K., & Dowling, N. A. (2012). The impact of financial management practices and financial attitudes on the relationship between materialism and compulsive buying. *Journal of Economic Psychology*, 33(3), 461–470.
- Rubin, H., & Rubin, I. (1995). *Qualitative interviewing*: the art of hearing data. California: Sage.
- Sampieri, R., Collado, C., & Lucio, P. (2006). *Metodologia de Pesquisa*. São Paulo: McGraw-Hill.
- Savoia, J. R. F., Saito, A. T., & Santana, F. D. A. (2007). Paradigmas da educação financeira no Brasil. *Revista de Administração Pública*, 41(6), 1121–1141.
- Szmigin, I., & Carrigan, M. (2001). Learning to love the older consumer. Journal of Consumer Behaviour, 1(1), 22–34.
- Tatzel, M. (2002). "Money worlds" and well-being: An integration of money dispositions, materialism and price-related behavior. *Journal of Economic Psychology*, 23(1), 103–126.
- Williams, T. (2007). Empowerment of whom and for what? Financial literacy education and the new regulation of consumer financial services. *Law and Policy*, 29(2), 226–256.
- Yoon, C., Cole, C. A., & Lee, M. P. (2009). Consumer decision making and aging: Current knowledge and future directions. *Journal of Consumer Psychology*, 19(1), 2–16.

Latin America Advances in Consumer Research Volume 4, © 2017

## (Religious) Scapular and Devotion: Extended Self and Sacralization

Larissa de Britto, PPA/UEM, Brazil Olga Pépece, PPA/UEM, Brazil Ana Paula de Miranda, COPPEAD/UFPE, Brazil Elisabete Camilo, PPA/UEM, Brazil

### EXTENDED ABSTRACT

Accordingly to the study of Park and Baker (2007), goods consumption is determining in order to mark consumers identity, one of this identity marking occurs in religion, because it's throughout sacred symbols that individuals exteriorize and materialize their faith. Meanwhile, Belk, Wallendorf and Serry (1989) set that a gradual religion secularization and a secular sacralization. This study aims to comprehend the process of the object (religious)scapular for Catholics who wear it daily.

Belk (1988) developed theory of the extended self being an important aspect of the relation between people and possessions in which the meaning assigned for the individual to possession reflects their own identity. Ahuvia (2005) contributes to Belk's findings adding to material goods more than the possession idea, where one is more important than the other due to the way it is treated and loved by their owner. Among the goods taken into account as very important, were found those related to religion. Religious consumption brings in its essence a matter of individual spirituality, hence, individuals chooses to consume some religious objects or activities which in addition to their beliefs, values and meanings, are capable of providing evidence and commitment to religiosity (Cosgel & Minkler, 2004), also, demonstrating societal belonging (Tajfel, 1978). Araújo, Vieira and Turano (2013) ratify this view specifically on Catholicism when assuring the active impact of religion on consumer during the process of acquiring a certain good or service. Considering the sacred-profane analysis by Belk, Wallendorf and Sherry (1989), the items which are considered sacred are represented by transcendental experiences, those happen with specific religious objects and show the six existing forms already identified of sacralization of goods in consumption culture: rituals, quintessence, gift giving, collection, heritage and for external sanction.

A qualitative research took place for this study, 15 semistructured interviews with Catholic scapular users from the city of Maringá, located in the south of Brazil where 64.75% of the population is catholic (IBGE, 2010). Interviews length were around 30 minutes and took place from October to November 2016; they were recorded, transcribed and analyzed using category content analysis (Bardin, 2008/1997).

It was possible to identify that the religious scapular has power on social action of Catholics, due to it being a special possession for owners who also give it a supernatural power. This protection meaning is given to the scapular object for its sacralization that occurs not only for religious beliefs but also for the act of gift giving. All respondents related receiving the scapular as a gift from a close family member (mother, grandmother) who recommended it to be used daily as a mean of protection, and, onwards of this gift giving ritual, the object was noticed as sacred and imbued with protection meaning. The respondents showed clear affective memory and the feeling transference related to "the Mother who protects" to the scapular, which substituted the mother on protection act, as the main function of the person who loves towards the loved one. Ahuvia (2005) contributed to the understanding of this sacralization that in addition to the religious strength it also carries the family affection. The object demonstrates being the mother (birth mother) presence transferred from her to the celestial mother, present in the scapular. The scapular is therefore, an object socially constructed of love, trough relationships and experiences shared, such as personal matters, rituals and places. Possession is the physical evidence of prior experiences, feelings and family relations (Ahuvia, 2005).

When possessing a scapular, people stated feeling capable of acts that were considered impossible before possessing the object; the strength was therefore attributed to the object. The scapular is important for individual identification as part of a group, in order to externalize one's belief, and to feel protected and with the necessary strength to achieve what wouldn't be possible without the scapular.

This study demonstrates its theoretical contributions about sacred religious objects trough gift giving process, not only for religious beliefs, the sacralization is done by the person who gives the gift, transforming it in a loved and sacred object for double protection meaning: religion and family. Because those who love protect... and who would not want to feel loved?

- Ahuvia, A. C. (2005). Beyond the extended self: Loved objects and consumers' identity narratives. *Journal of consume rresearch*, 32(1), 171-184.
- Araujo, F. F. de , Vieira, F. C., & Turano, L. M. (2013). Subculturas Religiosas de Consumo: Um Estudo Etnográfico sobre Práticas de Consumo de Jovens Católicos. SemeAd, Curitiba, Paraná, Brasil, XVI.
- Bardin, L. (2008/1997). Análise de conteúdo. Lisboa: Edições 70; 1977. Correspondência: Daiane Dal Pai Rua Santana.
- Belk, R. W. (1988). Possessions and the extended self. *Journal of consumer research*. 15(2), 139-168.
- Belk, R. W., Wallendorf, M., & Sherry, J. F. (1989). The sacred and the profane in consumer behavior: Theodicy on the odyssey. *Journal of consumer research*, 16(1), 1-38.
- IBGE. Instituto Brasileiro de Geografia e Estatística. (2010). Censo Demográfico 2010: educação e deslocamento – resultados da amostra. Retrieved from: http://servicodados.ibge.gov. br/Download/Download.ashx?http=1&u=biblioteca.ibge. gov.br/visualizacao/periodicos/545/cd\_2010\_educacao\_e\_ deslocamento.pdf.
- Coşgel, M. M., & Minkler, L. (2004). Religious identity and consumption. *Review of Social Economy*, 62(3), 339-350.
- Park, J. Z.& Baker, J. (2007). O que Jesus compra: consumo americano de bens materiais religiosos e espirituais. *Jornal* para o estudo científico da religião, 46(4), 501-517.
- Tajfel, H. E. (1978). Differentiation between social groups: Studies in the social psychology of intergroup relations. Academic Press.

## How Different Nutrition Information Formats May Lead to Less Calorie Dense Food Choices

Julio Sevilla, University of Georgia, USA Luis Torres, Georgia Gwinnett College, USA

### EXTENDED ABSTRACT

Past research has shown that consumers tend to make unhealthy food choices even when they attend to caloric information and intend to make healthy decisions (e.g. Balasubramanian & Cole 2002). One of the factors responsible for such problem may be manufacturers' lenient following of the regulations provided by the Nutritional Label and Education Act (NLEA) of 1990, which establishes the portion size that constitutes one serving of food. Despite this regulation, manufacturers regularly report smaller serving sizes than established by the NLEA, often with the intention to lead consumers to believe their products have fewer calories and are healthier than they actually are (Mohr, Lichtenstein & Janiszewski 2011). Given eating restrained consumers' (Herman & Polivy 1980) tendency to look for licenses to indulge (e.g. Fitzsimons, Nunes & Williams 2007; Wilcox et al. 2009), it is not surprising that they tend to interpret the ambiguity of such caloric information in a way that allows them to maximize consumption (e.g. Aydinoğlu & Krishna 2011). Furthermore, serving size issue aside, consumers often overvalue the importance of consuming a product containing an absolute lower number of calories (e.g. a small donut vs. a large bagel) to the detriment of attending to other important food attributes such as caloric density (e.g. Wansink 2004), that is, the relationship between the size of a food item and the absolute number of calories it contains. Caloric density has been shown to be an important predictor of caloric consumption (Rolls et al. 2004), as people become more full by the weight of a food than by the amount of calories it contains (Rolls, Bell & Waugh 2000; Rolls et al. 1998; Rolls, Morris & Roe 2002). Thus, this suggests that consuming foods that are high on caloric density often results in an overall higher amount of calories ingested.

These past findings suggest that consumers may benefit from cues or instruments that hint them towards consuming foods that have a lower calories per gram ratio or a lower caloric density, even if they contain a larger amount of calories due to their higher volume (e.g. a large bagel vs. a small donut), since these will be more filling and will likely decrease subsequent consumption. The current work aims to introduce and test the effectiveness of one such tool: the "Calories per gram ratio" label. By introducing this instrument, we aim to teach consumers to make more informed and healthier food choices that will lead them to reduce their total caloric intake. We argue that this metric achieves this objective by allowing consumers to easily compare the caloric density across different types of foods that may vary on their weight and absolute number of calories.

In four studies we show that the use of the Calories per gram ratio label leads consumers to reverse their choices in favor of healthier options that have a lower caloric density (fewer calories per gram) even in cases when these have an absolute higher number of calories. Study 1 (N=288) showed initial evidence in favor of the effectiveness of the label in a design where participants selected a bagel or a donut. In this study the bagel had a higher number of calories than the donut but a lower calories per gram ratio. We obtained that when participants only had access to the traditional nutritional information they were more likely to pick the donut ( $M_{donut} = 52.8\%$ ) and believed this item was healthier ( $M_{donut} = 53.5\%$ ). However, this pattern reversed in the presence of the label, as people were more likely to pick the bagel ( $M_{bagel} = 61.8\%$ ; z = 2.49, p = .01) and believed it was healthier ( $M_{bagel} = 62.5\%$ ; z = 2.72, p < .01). This suggests that using the label nudges consumers towards making healthier choices and helps them realize which item is healthier even if it has an absolute higher number of calories.

Study 2 (N=160) used a similar paradigm and replicated the effect with the use of packaged products: granola bars and chocolates. As expected, we obtained that the healthier item, the granola bar, was more likely to be chosen (M=65.5% vs. M=34.2%; z = 3.95, p < .0001) and was perceived to be healthier (M=90.5% vs. 68.4%; z = 3.48, p < .001) when presented with the calories per gram ratio than when only featured with the traditional nutrition information. Furthermore, we showed that the effect of the label on choice was mediated by healthiness perceptions associated to the products [LLCI: .11 to ULCI: .82].

Study 3 (N=274) showed that merely featuring the label can improve a manufacturer's choice share and healthiness perceptions. Specifically, in this design we compared two potato chips products that had the same nutritional information: Cape Cod and Kettle. We showed that while Cape Cod was more likely to be chosen and was perceived as healthier when only calories and grams ( $M_{Cape-Cod} = 63.0\%$  vs.  $M_{Kettle} = 37.0\%$ ; z = 3.54, p < .005) or only calories were presented ( $M_{Cape-Cod} = 64.8\%$  vs.  $M_{Kettle} = 35.2\%$ ; z = 4.00, p < .05), this effect was neutralized in the presence of the label, as in these cases Kettle was perceived to be similar to Cape Cod in terms of choice share ( $M_{Kettle} = 47.3\%$  vs.  $M_{Cape-Cod} = 52.7\%$ ; z = .74, p = .46) and perceived healthiness ( $M_{Kettle} = 54.9\%$  vs.  $M_{Cape-Cod} = 45.1\%$ ; z = 1.33, p = .18).

While the initial studies showed the effect in a computer-based setting, study 4 (N=162) replicated the findings in a set-up where consumers had to make a real consumption choice between a bagel and a donut. Furthermore, this study confirmed our prediction that picking healthier items that have an absolute higher number of calories but a lower calories per gram ratio due to the presence of the Calories per gram ratio label leads consumers to ingest fewer calories in subsequent consumption opportunities. Besides replicating the same effect as in past studies, we also demonstrated that those that picked and consumed the bagel against the donut subsequently ate less granola trail mix when invited to consume such item freely.

## Street Vending: Exploring the Transformative Impact of 'Forgotten' Services

Steven Rayburn, Texas State University, USA Mario Giraldo, Universidad del Norte, Colombia Linda Nasr, Texas State University, USA Luis Tello, Universidad del Piura, Peru

## EXTENDED ABSTRACT

Over a decade ago there was a call to explore less "developed" markets and economies (Bolton 2003, Steenkamp 2005); understanding how marketing and service phenomena manifest in emerging markets and economies is the only way to develop truly generalizable knowledge (Burgess & Steenkamp 2006). However, the majority of service research remains focused on the most affluent while two thirds of the world's population live in poverty (Fisk et al. 2016). Service researchers need to better understand what is going on in the rest of the world to be able to move beyond the historically narrow versions of economic and market realities. Additionally, service researchers have been called on to apply their skill and effort to explore how and when service can be transformative - for providers, consumers; individuals and collectives (Anderson et al. 2013). This research fulfills both calls. It explores service, and services, at the base of the pyramid (Gebauer & Reynoso 2013); street vending as a creative, entrepreneurial art (Williams & Gurtoo 2013); and shows how these relate to individual, collective, and societal wellbeing (Anderson et al. 2013). Specifically, this research explores the 'forgotten' service street vending to understand how such businesses operate as service to multiple people and groups.

Street vending is small scale, often informal and sometimes illegal, business efforts. Street vending takes many forms but always happens on the street - in traffic, along the street, and inside and outside of 'formal' markets. It occurs in every economy and has likely existed forever (Jhabvala 2012). Street vending is entrepreneurship for the marginalized and working poor; often its operators are persecuted, oppressed, and victimized (Bhowmik 2012; Jhabvala 2012). We propose and support how the view of street vending globally as a nuisance and blight on cities that should to be removed is wrong and expose how street vending is a creative, entrepreneurial art serving not only entrepreneurs but also broader circles of consumers. This research establishes how street vending, in its many manifestations, is service for vendors, consumers, collectives, and their networks. Moreover, this research exposes how street vending offers well-being uplift for consumers, vendors, families, communities, and society in ways that transcend typical economic arguments.

To explore these phenomena, a qualitative research program is undertaken that combines a grounded theory approach with phenomenological understanding. A multicultural field study of street vending in multiple communities in Kenya, Colombia, Peru, and Lebanon is undertaken. Primary data includes individual and collective interviews with vendors inquiring of their daily, lived experiences; who they serve; and who benefits from their work. Additional interviews are conducted with consumers of street vendor's products and services. This data is complemented with observations of street vending; including vendors and consumers. This multicultural, multi-locale approach permits a more robust and holistic view of street vending as a service.

Based on our data and situated in current understanding of street vending in diverse literature, we propose a new conceptualization of street vending as a complex and unique service. Our findings reveal a ripple effect starting at the micro level of individual interactions affecting the well-being of the involved actors and transcending these dyadic relationships to encompass higher levels of collective well-being.

Findings in the data support claims made in literature and in this research. Service and serving manifest in multiple ways. First, street vending serves economically by offering a livelihood otherwise nonexistent. Vendors live self-determined and more financially secure lives rather than being destitute and street vending provides gainful employment in many developing, and some developed, economies. Second, street vending provides consumers access to products and services in markets, in route, and in neighborhoods; making available goods and services so consumers save time, money, and effort. Third, street vending serves to uplift vendor, family, and community well-being. Vendors are sustained and their families consume at a higher level, both for subsistence and for growth in areas like schooling and healthcare. Finally, street vendors expand their businesses, open other businesses, and hire workers in their communities. In total, these benefits bubble up to the community level and across the city and nation as groups experience enhanced well-being.

Our findings show that viewing street vending as a nuisance and something to eliminate is shortsighted. Street vendors are entrepreneurs, reaping economic benefits from calculated efforts; benefits that extend to families, communities, cities, and society large. Finally, we conclude that most of the current research trends are not necessarily applicable in developing settings and therefore propose a number of future research directions hoping to stimulate further interest in these "forgotten" services.

- Anderson, L. et al. (2013) "Transformative service research: an agenda for the future." *Journal of Business Research*, vol. 66, no. 8, pp. 1203-1210.
- Bhowmik, S. (2012) <u>Street vendors in the global urban economy</u>, Taylor & Francis.
- Bolton, R. N. (2003) "From the editor," *Journal of Marketing*, vol. 67, no. 1. pp. 1-3.
- Burgess, S. M., & Steenkamp, J. B. E. (2006) "Marketing renaissance: How research in emerging markets advances marketing science and practice," *International Journal of Research in Marketing*, vol. 23, no. 4, pp. 337-356.
- Fisk, R. P. et al. (2016) "Billions of impoverished people deserve to be better served: A call to action for the service research community." *Journal of Service Management*, vol. 27, no. 1, pp. 43-55.
- Gebauer, H., & Reynoso, J. (2013). An agenda for service research at the base of the pyramid. *Journal of Service Management*, vo. 24, no. 5, pp. 482-502.
- Jhabvala, R. (2012) "Foreword," in Bhowmik, S., <u>Street vendors in</u> the global urban economy, Taylor & Francis.
- Steenkamp, J. B. E. (2005) "Moving out of the US silo: A call to arms for conducting international marketing research," *Journal* of Marketing, vol. 69, no. 4, pp. 6-8.
- Williams, Colin C. and Gurtoo, Anjula (2013); Beyond Entrepreneurs as Heroic Icons of Capitalist Society: A Case Study of Street Entrepreneurs in India; *International Journal* of Entrepreneurship and Small Business; Volume 19, Number 4, pp. 421-437.

## Counterfeit Luxury Brand Consumption: Morality vs. Pleasure

Rosa Chun, UCD Michael Smurfit Graduate Business School, Ireland

### **EXTENDED ABSTRACT**

Over the years luxury market has grown dramatically. Counterfeits flourished in pace with global marketing efforts of luxury brands and people's desire for luxury. Existing studies on counterfeits focused on moral values and regulatory framework and rarely compared if the same factors, affective and cognitive, drive both authentic and counterfeit buyers of luxury brands. For the purpose of the study, independent and interdependent self-construals, self-directed pleasure, self gift-giving, and brand identification were chosen to represent emotional dimensions, and product, social and moral purchasing factors were chosen to examine the rational aspect of luxury brand consumption.

## **RESEARCH QUESTIONS**

Interdependent self-construals governed one's behaviors with regard to his or her consciousness of others' thoughts, feelings and actions. On the other hand, the independent self-construals emphasized on the ego, separateness and uniqueness of an individual, leading to luxury consumption.

Hypothesis 1 Consumers with independent self-construals are more likely to buy authentic luxury brands while consumers with interdependent self-construals are more likely to buy counterfeit luxury brands.

Emotions, such as quest for sensations or pleasure, the desire to escape or relax, constitute an integral part of the shopping experience. More consumers go shopping for the sake of private pleasures rather than social interactions (Cox, Cox and Anderson 2005).

Hypothesis 2: Authentic luxury brand buyers (and counterfeit luxury brand buyers) are more likely to seek for self directed pleasure in luxury brands, compared to non-buyers

Self-gifts differ from day-to-day personal acquisitions by their motivational and situational circumstances and have the capability to elicit gleeful experiences through choosing luxury products (clothing and jewelry) or luxury experience (spa or tour packages), something they would not normally buy for themselves otherwise.

Hypothesis 3: Self gift giving behavior is significantly higher for authentic luxury brand buyers (and counterfeit brand buyers) than it is for non-buyers.

We would expect brand identification is expected to be higher amongst luxury brand buyers (for both authentic and counterfeit buyers) than amongst non-buyers,

Hypothesis 4: Authentic luxury brand buyers (and counterfeit luxury brand buyers) have stronger identification with the brand they purchase, than nonbuyers

Price and quality are probably two most frequently associated purchasing criteria in the marketing literature. Luxury consumption was associated with conspicuous consumption (Mason 1983), which entailed paying exceedingly high prices in order to make a good impression on others and to boast their wealth and attain a more prestigious social status (Braun and Wicklund, 1989; Giacomo and Olivier, 1997).

There are contradicting literatures about morality on purchasing counterfeit products. Previous research discovered that authentic product users would hardly consider the options of knock-offs (Green and Smith, 2002) because they believe it is immoral to buy counterfeits. Others argue people buy counterfeit products knowing they are illegal and therefore they buy counterfeits for fun regardless of morality. Feeling of guilty is often associated more with luxury brand purchases in certain countries.

<u>H5:</u> Product, social, moral purchasing factors are more likely to drive purchasing behavior for authentic luxury brand buyers (and counterfeit product buyers) than for non-buyers of such product.

#### **METHODS**

A total of 473 questionnaires were collected: 363 through customers from eight flagship luxury brand stores in Hong Kong (Chanel, Chopard, Gucci, Hermes, Jaeger-LeCoultre, Lane Crawford, Louis Vuitton and Tiffany); and 110 questionnaires from consumers from the five major shopping malls which house luxury brand stores. 12 independence items and 14 interdependence items (Gudykunst and Lee, 2003) were used. Self directed pleasure was measured using 4 items (Tsai 2005): e.g., I can enjoy luxury brands entirely on my own terms no matter what others may feel about them. Self gift giving was measured using 5 items (Tsai 2005, eg., 'On the whole, I may regard luxury brands as gifts I buy for treating myself'). Brand identification was measured using 2items (Sirgy et al., 1997): e.g., My self-image is similar to the luxury brand which I own. Alpha was above the acceptable level at 0.8 for all four variables. A 13 item rational purchasing factor was taken from Prendergast, Chuen and Phau (2002). 1): Product purchasing factor included price, quality, material physical appearance design and durability. Alphas were 0.873 for authentic brands and 0.938 for counterfeit brands; 2) Social purchasing factor included large supply, brand status, friends/family opinion, and popularity. Alphas were 0.744 for authentic brands and 0.876 for counterfeit brands; 3) Moral purchasing factor included morality and legality. Alphas were 0.745 for authentic brand and 0.917 for counterfeit brands.

#### FINDINGS

#### Authentic brand consumption

For authentic luxury brand owners, the effect of emotional factors such as self-directed pleasure, self gift-giving, and brand identification were significant, supporting Hypotheses 2-4. Neither independent nor interdependent self construals had significant effect on authentic brand buying; the influence of independent self construals was bigger than that of interdependent self construals, but not significant. Hypothesis 1 was not supported. Three rational purchasing factors (price, social, moral) had no significant influence on the authentic luxury brand consumers, so rejecting Hypothesis 5.

#### **Counterfeit brand consumption**

Similarly with the authentic product buyers, neither independent nor interdependent self construal had significant impact on consumption, so rejecting Hypothesis1. All the other emotional factors (self directed pleasure, self gift giving, and brand identification) had significant effect on counterfeit purchasing behavior. However the

#### 92 / Counterfeit Luxury Brand Consumption: Morality vs. Pleasure

effect was negative. Contrary to the authentic luxury brand buyers, consumers with lower self directed pleasure, lower self gift giving, and lower brand identification were more likely to buy counterfeit luxury products. Therefore Hypotheses 2-4 were also rejected. Instead, product purchasing and social purchasing factors exceeded three emotional factors in their influence on counterfeit product ownership. Moral purchasing factor has significant but the least effect on counterfeit brand consumption. Counterfeit product owners tend to actually have higher morality than non-owners. In other words, the product-related features (price, quality, design and material) and social factors (popularity of the brand, and friend's opinion) outweigh moral factors for counterfeit luxury brand buyers. This was not the case for the authentic luxury brand buyers. In summary, Hypothesis 1 was not supported. Hypotheses 2-4 were supported only for the authentic brand buyers. Hypothesis 5 was supported only for the counterfeit brand buyers.

### **DISCUSSION AND CONCLUSION**

Authentic brand buyers were more driven by high self directed pleasure in shopping and by high brand identification.

Consumers who buy counterfeit products, they had lower brand identification. Instead, counterfeit luxury brand buyers are keen on product features such as price, quality, and brand social status, while these factors perhaps were taken for granted in authentic consumption. Moral values of consumers do not seem to play a major role when counterfeit consumption takes place. In fact counterfeit brand buyers had higher moral awareness and less self-directed pleasure than non-buyers when they considered buying counterfeit luxury brands. This could mean that anticounterfeit initiatives appealing to consumers' own morality alone is not the most effective.

To summarize, building emotional attachment to the luxury brand, rather than emphasizing particular product features and brand status, will be much more efficient of communicating luxury brands to consumers, hence sales growth. The insignificant role of the product purchasing factors (price, quality, design) for luxury brand buyers may mean that excellent quality, design or material is somewhat expected or taken for granted for the premium price they pay for the luxury brands.

## Forgetting to Remember Our Experiences: People Overestimate How Much They Will Retrospect About Personal Events

Tom Meyvis, New York University, USA Stephanie Tully, University of Southern California, USA

### **EXTENDED ABSTRACT**

People enjoy retrospecting about past experiences and appear to do it quite often. Past research suggests that we spend upwards of 50% of relaxed, social conversation talking about our experiences (Dunbar, Marriott, and Duncan 1997) and that sharing information about ourselves and our experiences is intrinsically rewarding (Tamir and Mitchell 2012). It also appears to be one of the reasons why consumers are happier with their experiences than with their material goods (Van Boven and Gilovich 2003). Furthermore, consumers seem to anticipate the future retrospection that experiences provide as they sometimes choose experiences as a function of their retrospective value (Keinan and Kivetz 2011; Ratner, Kahn, and Kahneman 1999). But how accurate are consumers at predicting the extent of their retrospection?

Because sharing one's experiences is intrinsically rewarding, people should want to talk about their experiences. However, given the abundance of experiences people live through, people cannot and do not continue to talk about all of their experiences indefinitely. Memories of experiences are less likely to come to mind over time. Indeed, the majority of memories that people remember and think about have recently occurred (Crovitz and Schiffman 1974). Yet, since consumers have a strong desire to retrospect about their experiences, they may underestimate the difficulty of bringing past experiences to mind. In support of this idea, a recent study found that people were not able to remember details of a previous conversation despite a previous belief that they would be able to (Zhang et al. 2014). We therefore expect consumers to systematically overestimate how much they will retrospect about an experience. We show that this overestimation is not the result of misconstrual of the event (it persists after the experience occurred), is moderated by the positivity of the experience, and is attenuated when physical reminders are present to facilitate retrospection.

In a first study, participants were asked to consider an experience that had occurred 3-6 months in the past or that would occur 3-6 months in the future. After describing the experience, participants indicated how often they did (past condition) or would (future condition) think about and talk about the experience during the two months following the experience. Next, they rated the experience on a number of dimensions. As expected, participants in the future condition predicted greater retrospection than participants in the past condition actually recalled (F(1,157) = 15.08, p < .001). This result held when adjusting for differences in participants' perception of their experience (F(1, 154) = 8.18, p = .005) and when adjusting for the type of experiences people wrote about (F(1,117) = 8.79, p =.004). Thus, people considering a future experience predict more frequent retrospection than participants report having actually engaged in after a past experience.

Study 2 was identical to Study 1 except that participants were constrained to write about a summer trip, either a trip that they had taken last summer (past condition) or one that they planned to take the following summer (future condition). Consistent with the results of the first study, participants expected to retrospect more after a future trip than they reported having actually engaged in after a past trip (Retrospection Index:  $M_{\text{Future}} = 0.41$ ,  $M_{\text{Past}} = -0.41$ , F(1, 82) = 24.50, p < .001). This effect persisted after controlling for any perceived differences between future and past summer trips.

In study 3 we contacted people *after* the event instead, thus ruling out misconstrual of the future experience as an alternative explanation. Participants were approached a day *after* they attended the US Open tennis tournament and were asked to predict their future retrospection. Two months later, we measured their actual retrospection. As expected, participants predicted they would talk about their U.S. Open experience more often than they reported having done at time 2 (F(1,139) = 259.62, p < .001). This overestimation was moderated by their willingness to recommend the experience (F(1,138) = 10.46, p = .002). These findings indicate that the overestimation is not simply misconstrual of a future, unknown experience, and that it is more pronounced for people who feel more positively about the experience—suggesting a motivated reasoning process.

In study 4, we replicated the results of study 3 with an experience for which retrospection should be a particularly important contributor to the value of the experience. A group going on an African safari completed the survey days after returning to the U.S. and completed a follow-up survey two months later. In this study, we measured the estimated frequency of looking at pictures of the event rather than the estimated frequency of thinking about the event, since the former should be easier to objectively recall at time 2. Replicating earlier studies, participants overestimated how much they would retrospect about the safari (F(1,26) = 21.42, p < .001). In line with a motivational explanation, this overestimation was moderated by how much participants reported wanting to talk about the trip at time 1 (F(1,25) = 6.078, p = .021).

We have proposed that the overestimation of retrospection occurs because people want to recall experiences, but do not recognize the difficulty of spontaneously recalling previous experiences. In the last study, we examined this latter proposition by demonstrating that overestimation is attenuated when physical objects serve as reminders to cue retrospection.

In study 5, participants in an obstacle course fun run completed a survey in the days following the run and completed a follow-up survey two months later. In addition to indicating their frequency of talking and looking at pictures, respondents indicated whether they had purchased a souvenir. Replicating previous studies, people overestimated how much they would retrospect about the race (F(1,152)= 97.24, p < .001). However, a significant time by souvenir interaction showed that this overestimation was attenuated for people who purchased a souvenir (F(1,152) = 4.32, p = .039): souvenirs increased actual, but not predicted retrospection (people do not intuit their impact).

- Crovitz, Herbert F., and Harold Schiffman (1974), "Frequency of episodic memories as a function of their age," *Bulletin of the Psychonomic Society*, 4, no. 5, 517-518.
- Dunbar, Robin IM, Anna Marriott, and Neil DC Duncan (1997), "Human conversational behavior," *Human Nature*, 8, no. 3, 231-246.
- Keinan, Anat, and Ran Kivetz (2011), "Productivity orientation and the consumption of collectable experiences," *Journal of Consumer Research* 37, 6, 935-950.

## 94 / Forgetting to Remember Our Experiences: People Overestimate How Much They Will Retrospect About Personal Events

- Ratner, Rebecca K., Barbara E. Kahn, and Daniel Kahneman (1999), "Choosing less-preferred experiences for the sake of variety." *Journal of Consumer Research*, 26, no. 1, 1-15.
- Tamir, Diana I., and Jason P. Mitchell (2012), "Disclosing information about the self is intrinsically rewarding," *Proceedings of the National Academy of Sciences*, 109, no. 21, 8038-8043.
- Van Boven, Leaf, and Thomas Gilovich (2003), "To do or to have? That is the question," *Journal of Personality and Social Psychology*, 85 (6), 1193–1202.
- Zhang, Ting, Tami Kim, Alison Wood Brooks, Francesca Gino, and Michael I. Norton (2014), "A "Present" for the Future The Unexpected Value of Rediscovery," *Psychological Science*, October, vol. 25, no. 10, 1851-1860.

# Visual Artist Brand Personality Exploitation: Artist - Brand Alliances for Attracting New Consumers to a Brand

Pielah Kim, Philadelphia University, USA Hua Chang, Towson University, USA Rajiv Vaidyanathan, University of Minnesota Duluth, USA Leslie Stoel, Miami University, USA

# EXTENDED ABSTRACT

Consumers prefer brands that match their own personalities (Parker, 2009). This poses a challenge when retailers attempt to attract new customers whose personalities are incongruent with the brand. Brand's alliances with visual artists may prove effective here as artists bring their own symbolic personalities to a partnership and also help alter consumer perceptions by stimulating a cognitive flexibility (Hagtvedt & Patrick, 2008). Our research focused on whether customers whose personality is incongruent with the existing personality of a retail brand can be brought into the fold by partnering with an artist whose personality is congruent to the consumer's personality.

Consumer and brand personality congruence leads to stronger brand attachment (Thomson, MacInnis, & Park, 2005), which promotes selective processing of information that impacts the brand (Ahluwalia, Burnkrant, & Unnava, 2000). Consumers whose personalities match to the personality of the brand ("core consumers") exhibit strong brand attachment, thus their perceptions of the brand's personality is likely to be resilient to changes. These consumers are unlikely to abandon a brand based on that brand's alliance with an artist regardless of congruent or incongruent artist personality to the brand. Subsequently, the valuation of a brand's product will be constant as no structural changes in brand personality occurs.

Allying with a visual artist having a different personality than the retail brand will not result in H1) changing perceptions of the retail brand and H2) changing purchase intentions of the retail brand for "core" consumers.

"Cognitive flexibility" can be stimulated by the mere presence of visual art (Hagtvedt & Patrick, 2008), which allows one to foresee greater relatedness amongst divergent stimuli (Isen, Daubman, & Nowicki, 1987). Given this cognitive flexibility prompted by visual art, potential new consumers ("non-core consumers") may then be equipped with a capacity to assimilate the artist's personality into the brand. When a brand partners with an artist with incongruent personality to the brand, cognitive flexibility can remove the conflicts in assimilating different personalities and allows consumers to alter the brand's personality. Then, changes in brand personality should subsequently affect behavioral responses toward the brand.

Allying with a visual artist having a personality distinct from the retail brand (but consistent with the target consumer) will result in H3) changed perceptions of the retail brand to be more consistent with the visual artist personality and H4) will change purchase intentions of the retail brand for "non-core" consumers.

Study 1 used Rolex, known to have a "competent" personality. 203 participants (43% male; 19-79 years) were randomly assigned to one of the two conditions using artists whose personalities were either congruent (Pablo Picasso with competent personality) or incongruent (Norman Rockwell with sincere personality) to Rolex. Then participants were told that Rolex was promoting a special campaign involving Picasso (congruent match) or Rockwell (incongruent match). Afterwards, participants indicated their perceptions of Rolex's personality, purchase intent, their own self-perceived personality selection out of the Big Five. We segmented participants by "core consumers" (conscientious personality matched to competent brand) and "non-core consumers" (agreeableness personality matched to sincere brand; Mulyanegara, Tsarenko, & Anderson, 2009). Rolex and artists (in)congruence level was confirmed with a manipulation check.

As hypothesized, core consumers were resistant to brand personality changes regardless of partnering artists. Both effects of artist-brand congruency on sincerity ( $M_{incongruent} = 2.84$ ,  $M_{congruent} = 2.81$ ,  $F_{1, 122} = .03$ , p = .86) and on competence ( $M_{incongruent} = 4.01$ ,  $M_{congruent} = 4.13$ ,  $F_{1, 122} = .93$ , p = .34) were insignificant. However, non-core consumers perceived Rolex somewhat sincere when it allied with an incongruent artist ( $M_{incongruent} = 3.44$ ,  $M_{congruent} = 3.10$ ;  $F_{1, 78} = 2.75$ , p = .10). Next, purchase intent of non-core consumers across (in)congruent ent artist-retailer match was insignificant ( $M_{incongruent} = 4.90$ ,  $M_{congruent} = 4.75$ ,  $F_{1, 78} = .07$ , p = .80). However, core consumers indicated their lower purchase intent for Rolex products when allied with an incongruent artist ( $M_{incongruent} = 3.77$ ,  $M_{congruent} = 4.75$ ,  $F_{1, 122} = 4.38$ , p < .05). Thus only H1 and H3 were supported.

In Study 2 (321 participants; 43% male; 18-80 years) we used H&M, which is perceived as "exciting", along with Keith Haring who also conveys an "exciting" personality (congruent match) and Norman Rockwell who conveys a "sincere" personality (incongruent match). The experiment was identical to Study 1 except participants' personality was measured using the BFI-10 items (Rammstedt & John, 2007). Core consumers were again resistant to H&M's personality changes, indicated by insignificant results on both sincere and exciting personality. Non-core consumers perceive H&M more sincere ( $M_{incongruent}$ =3.53,  $M_{congruent}$ =3.30;  $F_{1,231}$  = 4.21, p < .05) or more exciting ( $M_{incongruent}$ =3.61,  $M_{congruent}$ =3.90,  $F_{1,231}$  = 8.29, p < .01) when allied with incongruent and congruent artists. The purchase intent of non-core consumers was different across matches ( $M_{congruent}$ =4.07,  $M_{incongruent}$ =3.35,  $F_{1,231}$  = 4.31, p < .05), which was not the case for core consumers ( $M_{incongruent}$ =3.41,  $M_{congruent}$ =3.58,  $F_{1,87}$ = .11, p = .74). All hypotheses were supported.

Our results provide evidence that visual artists possessing distinctive personalities and enable cognitive flexibility among consumers can add value to commercial brand through partnership. Alliancing with an artist whose brand personality contrasts with that of the brand can attract the brand's non-core customers without damaging the existing relationship with the core customers.

- Ahluwalia, R., Burnkrant, R.E. and Unnava, H.R. (2000), "Consumer Response to Negative Publicity: The Moderating Role of Commitment", *Journal of Marketing Research*, 37 (2), 203-214.
- Hagtvedt, H. and Patrick, V.M. (2008), "Art and the Brand: The Role of Visual Art in Enhancing Brand Extendibility", *Journal* of Consumer Psychology, 18 (3), 212-222.
- Isen, A.M., Daubman, K.A. and Nowicki, G.P. (1987), "Positive Affect Facilitates Creative Problem Solving", *Journal of Personality and Social Psychology*, 52 (6), 1122-1131.

# 96 / Visual Artist Brand Personality Exploitation: Artist - Brand Alliances for Attracting New Consumers to a Brand

Mulyanegara, R.C., Tsarenko, Y. and Anderson, A. (2009), "The Big Five and Brand Personality: Investigating the Impact of Consumer Personality on Preferences Towards Particular Brand Personality", *Journal of Brand Management*, 16 (4), 234-247.

- Parker, B.T. (2009), "A Comparison of Brand Personality and Brand User-Imagery Congruence", *Journal of Consumer Marketing*, 26 (3), 175-184.
- Rammstedt, B. and John, O.P. (2007), "Measuring Personality in One Minute or Less: A 10-item Short Version of the Big Five Inventory in English and German", *Journal of Research in Personality*, 41 (1), 203-212.

# Service Employee Nonverbal Sexual Signals as a Predictor of Consumer Word-of-Mouth Intentions: A Caribbean Perspective

Cherisse Permell-Hutton, The University of the West Indies, Republic of Trinidad and Tobago Barney G. Pacheco, The University of the West Indies, Republic of Trinidad and Tobago

## **EXTENDED ABSTRACT**

Little empirical research currently exists on the marketing implications of heterosexual consumers' service encounters with frontline employees perceived as homosexual, particularly in the Caribbean where attitudes toward homosexuality are still predominantly negative (Naurath 2007). This study thus extends existing research in this area in three important ways. First, the current research applies similarity-attraction theory to investigate the effect of service employees' nonverbal sexual signals on consumer intentions to transmit word-of-mouth (WOM) information. Second, it focuses on an employee characteristic (perceived homosexuality) that has often been overlooked in the service marketing literature but may influence the outcome of the service encounter. Third, the present research provides preliminary evidence that the gender of the consumer and employees in a service interaction might play a critical role in determining WOM intentions when the employee is perceived as homosexual.

#### LITERATURE REVIEW

#### **Similarity Attraction Theory**

Similarity attraction theory (Pennington 1986) posits that people are attracted to, and will make more favorable assessments of referent others who are similar to them. Brown and colleagues (2005) provided evidence that the perception of increased congruence between the retailer and consumer's identity consumer can result in more positive WOM transmittal. Theoretically, consumers who identify with an organization may use WOM as an avenue to express their own self-identity (Arnett, German & Hunt, 2003) with higher degrees of similarity resulting in increased positive WOM. In similar fashion, we propose that the employee's perceived sexual orientation may serve as a signal of similarity between the consumer and employee and affect WOM intentions.

Hypothesis 1 Customers' perception of service employees' sexual orientation as heterosexual (homosexual) leads to more positive (negative) word-of-mouth intentions.

#### The Effect of Gender

Bem's (1993) gender belief system holds that men are expected to possess qualities that are masculine and women, qualities that are feminine. Violation of gender norms has been shown to lead to social/economic punishment as demonstrated in research by Rudman and Phelan (2008) whereby women were rated less likable than men when they exhibited attributes that are considered to be counter-stereotypical of women. In the current context, consumers should focus more on stigmatizing attributes and be more likely to form a negative judgment of the stigmatized employee, when their outward appearance suggests the employee is similar to the consumer but the sexual signals they provide are inconsistent with that evaluation.

Hypothesis 2 When the customer and service employee perceived to be homosexual are of the same gender, the customer is less likely to transmit positive word-of-mouth information.

Previous research has found that men usually possess greater negativity than women toward homosexuality (Norton & Herek, 2013). This gender difference may be explained by heterosexual men and women's different conceptualizations of homosexuality (Cuddy et al. 2015). There are also asymmetries in the societal penalties for women versus men who either associate with, or are identified as homosexual, with disproportionate negative consequences for men (Herek 2002). Consequently, in a service setting, we anticipate higher levels of prejudice by men than women toward male employees perceived to be homosexual resulting in differential tendencies to transmit WOM information. Thus the following hypothesis is proposed:

Hypothesis 3 Male customers are likely to have more negative WOM intentions than female customers toward homosexual service employees of the same versus different gender.

#### METHODOLOGY

The hypotheses were tested via an experimental design which orthogonally manipulated the gender (male/female) and nonverbal sexual signal (hetero/ homosexual) of the employee. The gender of the respondent was a measured variable and participants were randomly assigned to the various treatment groups. The sample consisted of 325 male and female undergraduate students roughly evenly divided along gender lines (179 female; 146 male).

Respondents were exposed to a video showing a customer being greeted by either a male or female service employee exhibiting non verbal homosexual or heterosexual behaviors (body posture and walk). After viewing the video, word-of-mouth intention was measured using the 5-point WOM scale reported by Liang, Tseng, and Lee (2010). Tolerance of homosexuality was included as a covariate and measured by nine items with high factor loadings selected from Herek's (1984) condemnation-tolerance (C-T) scale. The effect of this covariate was not significant (p > .8) and is thus excluded from further discussion.

#### RESULTS

As expected, customers who perceived the service employee to be homosexual (M = 2.46) versus heterosexual(M = 4.01) were less likely to transmit positive WOM information about the service provider (F (1, 316) = 374.729, p<.001). This fully supports Hypothesis 1.

There was also a significantly lower intention to transmit positive WOM information (F (3, 316) =5.491, p<.01) when the consumer was the same gender as the perceived homosexual employee (M = 2.25) than when the employee was of the opposite sex (M = 2.63). This is consistent with hypothesis 2.

Additionally, men (M = 1.69) had lower WOM intentions than women (M = 2.81) when the employee was the same gender as the customer. Somewhat surprisingly however, male customers were more likely to transmit positive WOM intentions for homosexual employees of the opposite gender (M =2.96) than female respondents (M =2.29). There is thus mixed support for hypothesis 3.

## DISCUSSION

This study provides evidence that nonverbal sexual signals displayed by service employees that violate traditional gender roles

#### 98 / Service Employee Nonverbal Sexual Signals as a Predictor of Consumer Word-of-Mouth Intentions: A Caribbean Perspective

prompts heterosexual consumers to associate the employee with a stigmatized social identity and makes them less likely to transmit positive WOM information. At a global level, there was support for the supposition that gender congruence between the consumer and homosexual employee would result in more negative WOM intentions. A closer examination of the results however, revealed that while male respondents reacted more positively to gay employees of the opposite gender, female respondents had more positive WOM intentention for female employees perceived as homosexual. This finding is inconsistent with previous research by Brown, Barry, Dacin and Gunst (2005), who found that increased levels of similarity results in more positive WOM. It does however, support prior research (Goodman & Moradi 2008) which suggests that men compared to women have more negative attitudes towards homosexuality in general, especially when the target is male.

- Arnett, D. B., German, S. D., & Hunt, S. D. (2003). The identity salience model of relationship marketing success: The case of nonprofit marketing. *Journal of marketing*, 67(2), 89-105.
- Bem, S. L. (1993). *The lenses of gender: Transforming the debate* on sexual inequality. Yale University Press.
- Brown, T. J., Barry, T. E., Dacin, P. A., & Gunst, R. F. (2005). Spreading the word: Investigating antecedents of consumers' positive word-of-mouth intentions and behaviors in a retailing context. *Journal of the Academy of Marketing Science*, 33(2), 123-138.

- Cuddy, A. J., Wolf, E. B., Glick, P., Crotty, S., Chong, J., & Norton, M. I. (2015). Men as cultural ideals: Cultural values moderate gender stereotype content. *Journal of personality and social psychology*, 109(4), 622-635.
- Goodman, M. B., & Moradi, B. (2008). Attitudes and behaviors toward lesbian and gay persons: Critical correlates and mediated relations. *Journal of Counseling Psychology*, 55(3), 371.
- Herek, G. M. (1984). Attitudes toward lesbians and gay men: A factor-analytic study. *Journal of homosexuality*, *10*(1-2), 39-51.
   (2002), Gender gaps in public opinion about lesbians and gay men. *Public Opinion Quarterly*, *66*(1), 40-66.
- Liang, R. D., Tseng, H. C., & Lee, Y. C. (2010). Impact of service orientation on frontline employee service performance and consumer response. *International Journal of Marketing Studies*, 2(2), 67-74.
- Naurath, N. (2007). Perceived acceptance of homosexuals differs around globe: Acceptance most likely in Americas, least likely in Africa. *Gallup World*.
- Norton, A. T., & Herek, G. M. (2013). Heterosexuals' attitudes toward transgender people: Findings from a national probability sample of US adults. *Sex roles*, 68(11-12), 738-753.
- Pennington, D. C. (1986). *Essential Social Psychology*. London: Edward Arnold.
- Rudman, L. A., & Phelan, J. E. (2008). Backlash effects for disconfirming gender stereotypes in organizations. *Research in* organizational behavior, 28, 61-79.

# Local Brand Purchase Likelihood: An Investigation of Antecedents to Increase Consumer Preference

Miguel Angel López-Lomelí, Tec de Monterrey campus Guadalajara, México Joan Llonch-Andreu, Universitat Autonoma de Barcelona, Spain Jorge Eduardo Gomez-Villanueva, Tec de Monterrey campus Guadalajara, México

## **EXTENDED ABSTRACT**

# CONCLUSIONS AND IMPLICATIONS

Emerging markets (EMs) represent an important business opportunity for international firms (Fidelity, 2013). Local brands in emerging markets often face tough competition from foreign brands (Holt, Quelch, & Taylor, 2004; Moslehpour & Yumnu, 2014), It is critical therefore to understand what makes one local brand more attractive for consumers than others (Batra, Ramaswamy, Alden, Steenkamp, & Ramachande, 2000; Özsomer, 2012); the reasons behind this are largely unknown and this paper therefore aims to address this phenomenon. We draw upon the extant literature on Consumer Culture theory and Signalling theory, to develop a theoretical framework for studies 1 & 2.

Two empirical studies were conducted for this tis research work, study 1, analyses some key antecedents that may influence the success of local consumer food brands and study 2, analyses some key antecedents that may influence the success of local clothing brands, among consumers in emerging markets. Selected leading local brands on the two categories, the survey questionnaire was developed with items drawn from extant literature and was administered to the target respondents via face-to- face personal interviews via a marketing research agency.

Following Sekaran's (1983) suggestions for establishing sample comparability, a matched representative sample was used, based on the population of Mexico, and using statistics supplied by the National Institute of Geography and Statistics (INEGI, in Spanish). A third survey was conducted among younger consumers for the food brands.

#### RESULTS

In the two sets of samples the factors used for the survey show Cronbach alpha values higher than 0.7, KMO values superior to 0.5 and Bartlett's sphericity test significant at 99%, which validates the measures used in the resulting factors for the tests of the hypotheses.

## Test of hypotheses

A SEM process was conducted for the matched samples of the food and clothing surveys (679 data) and for the younger 15-29 segment sample (731 data). All of the Goodness-of-Fit Indicators for the Tested Models meet the established criteria.

#### **Study 1 Food Brands**

As shown in table 1, results suggest three of the four antecedents, For H2, brand quality and prestige, bias in favour of local brands and brand familiarity are positively related to brand purchase likelihood. Interestingly, results for the younger segment sample suggest that PBL and brand purchase likelihood are positively related.

#### Study 2: Local clothing brands.

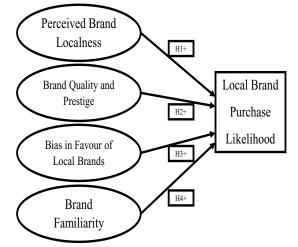
Results of the SEM analysis shown in table 1, suggest that all five factors (Brand Attitude (BA), Brand Image (BI), Bias in favour of local Brands (BFLB), Susceptibility to Normative Influence (SNI) and Brand as Social Signalling Value (BSSV) are positively related with Local Brand Purchase Likelihood (LBPL).

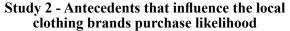
These studies contribute to the knowledge of consumer preference for local brands in EMs; the literature does not deliver similar works focused on local food and clothing brands in EMs. The key contribution of this studies is to determine the antecedents for local and clothing brands that increase consumer preference. These studies contribute to the knowledge of consumer preference for local brands in EMs; the literature does not deliver similar works focused on local food and clothing brands in EMs. The key contribution of this studies is to determine the antecedents for local and clothing brands that increase consumer preference.

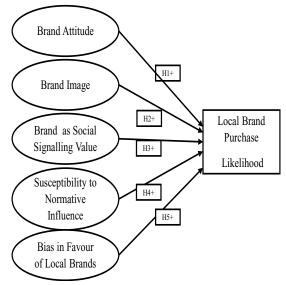
*Implications for local brand managers:* Local brand managers can build marketing strategies based on these antecedents to increase consumer preference and purchase.

#### Figure 1

# Study 1- Antecedents that influence the local food brands purchase likelihood







Source: Self-Devised

of factors for Studies 1 & 2													
LBPL	<	PBL	.057	.056	1.022	N.S	LBPL	<	PBL	.196	.047	4.196	***
LBPL	<	BQP	.411	.095	4.326	***	LBPL	<	BQP	.162	.037	4.361	***
LBPL	<	BFLB	.226	.058	3.926	***	LBPL	<	BFLB	.231	.039	5.850	***
LBPL	<	BF	.109	.061	1.793	*	LBPL	<	BF	.331	.052	6.376	***
LBPL	<	BA	.203	.021	9.649	***							
LBPL	<	BI	.314	.026	12.253	***							
LBPL	<	BFLB	.182	.029	6.178	***							
LBPL	<	SNI	.331	.039	8.458	***							
LBPL	<	BSSV	.236	.029	8.152	***							
LBPL	<	BA	.203	.021	9.649	***							
Source: Self-Devised. Correlations are statistically significant at : *** = .01; ** =.05, * =.10 / N.S. = not significant													

Table: Standardised paths and significance

*Limitations and future research directions:* This work was conducted in Mexico; a wider study in other emerging markets in Latin America or worldwide is suggested to validate generalisation of the results (Steenkamp, Batra, & Alden, 2003).

- Batra, R., Ramaswamy, V., Alden, D. L., Steenkamp, J. B., & Ramachande, S. (2000). Effects of brand local and nonlocal origin on consumer attitudes in developing countries. *Journal* of Consumer Psychology, 9(2), 83-95
- Fidelity. (2013). Emerging markets insight, Fidelity Worldwide Investment. Retrieved from <u>https://www.fidelityworldwideinvestment.com/turkey/news-insight/emerging-markets-insight/default.page</u>
- Holt, D. B., Quelch, J. A., & Taylor, E. L. (2004). How Global Brands Compete. *Harvard Business Review*, 82(9), 68-75.

- Moslehpour, M., & Yumnu, S. (2014). The mediating effect of quality and prestige on the relationship between brand globalness and purchase likelihood of HTC mobile phone. *International Business Research*, 7(1), 94.
- Özsomer, A. (2012). The interplay between global and local brands: a closer look at perceived brand globalness and local iconness. *Journal of International Marketing*, 20(2), 72-95.
- Sekaran, U. (1983). Methodological and theoretical issues and advancements in cross-cultural research. *Journal of International Business Studies*, 14(2), 61-73.
- Steenkamp, J.-B. E. M., Batra, R., & Alden, D. L. (2003). How perceived brand globalness creates brand value. *Journal of International Business Studies*, 34(1), 53-65.

# The Relevance of Urban Mobility for Consumer Research: An Interdisciplinary

Juan C. Correa, Fundación Universitaria Konrad Lorenz, Colombia Diana E. Forero, Fundación Universitaria Konrad Lorenz, Colombia

#### **EXTENDED ABSTRACT**

How often people combine transportation means for commuting? Is this a relevant question for consumer research? According to Anderson et al. (2013) rethinking the ways transportation services are delivered and consumed in cities is a relevant topic for the consumer research movement known as "Transformative Consumer Research". Such topic entails the study of urban mobility which refers to how individuals move in their city, which in turn is closely related to transportation networks (Chen et al., 2017) and the transportation mode choice of individuals (Aarts, Verplanken, & van Knippenberg, 1997). Several factors affect this choice; from the physical ones related with distances from home to workplace (Gonzalez, Hidalgo, & Barabasi, 2008), to the economic ones related with the perceived advantages of commuting with bicycles (Jakovcevic, Franco, Dalla Pozza, & Ledesma, 2016) or motorcycles (Correa, 2017) rather than using other transportation means. Although urban mobility is an interdisciplinary catching topic, it has been neglected in consumer research, with few recent exceptions (Brembech, Hansson, Lalane, & Vayre, 2015).

More than a decade ago the average one-way commute in cities like Bogotá was 90 minutes (Gakenheimer, 1999) and recent reports indicate that this is worsening. The increasing vehicle sales is a consequence of both the economic growth and the social pressure of owning a car as an essential asset (Gakenheimer, 1999). Between 1995 and 2000 citizens of Bogotá faced several changes in their urban mobility. For instance, Montezuma (2005) described some of the achievements that were met by investing on road infrastructure, especially the implementation of paths reserved exclusively for bicycles, the revitalization of parks and sidewalks, and the implementation of the "Transmilenio" bus rapid transit system. Despite such achievements, the city of Bogotá is still facing problems in their urban mobility, specially when it comes to transforming its decentralized bus transit services into its integrated transit systems (Kash & Hidalgo, 2014). In order to achieve such a transformation, transportation planners must integrate the concerns of the community in the planning process which deals with identifying incompatibilities between users' self-identified needs and project goals. This is a complex task that is not tackled here. Instead, our aim in this paper is to show how consumer researchers in general and consumer psychologists in particular might contribute in this direction by analyzing urban mobility as a consumer behavioral choice under restriction (Botti et al., 2008).

# URBAN MOBILITY AS A RELEVANT TOPIC FOR CONSUMER RESEARCH

According to Swait and Adamowicz (2001) most models of choice in economics and consumer research assume that people assess all alternatives in an almost perfect information-processing sense. These assumptions, however, are quite restrictive. In fact, the omission of more realistic assumptions relates to 1) the difficulty of including most of the real-world complexities in formal models and 2) the fact that the data used in economics and consumer research studies tend to be somewhat different from the data structures used in the literature. For instance, the complexity of the choice environment, understood as the number of transportation means required for commuting in a city remains neglected in transportation mode choice models (Aarts et al., 1997; Bamberg, Ajzen, & Schmidt, 2003).

One solution to the problem of modeling consumer's complex choices in urban mobility might be based on perspectives outside the realm of social sciences that are susceptible of being integrated in our approaches. This solution demands a re-orientation in doing consumer research, which has been criticized as one with narrow scope, lenses and epistemology (Pham, 2013). We propose an interdisciplinary approach that exploits the knowledge of more basic sciences like physics (Gonzalez et al., 2008), computer sciences (Giannotti et al., 2011) or geographical information sciences (Chen et al., 2017) to re-orient our endeavors. Let us illustrate. From the physical point of view, it is well-known that urban mobility can be described by the so-called "dispersal curves" (e.g. Gaussian distribution, Exponential distribution) which quantify the relative frequency of travel distances of individuals as a function of geographical distance (Brockmann, Hufnagel, & Geisel, 2006). A related metric, known as travel time uncertainty, is the most important or the second-most important factor for commuters' travel decision-making (Chen et al., 2017) which has been deemed as a type of choice under restriction (Botti et al., 2008).

The formal description of how humans move in a city can then be done in terms of diffusion equations on large spatiotemporal scales (e.g., at the scale of a whole city). In a similar vein, approaches of computer sciences regard human mobility as a complex pattern emerging from the detailed trajectories of tens of thousands private cars with on-board GPS receivers, tracked during weeks of ordinary mobile activity (Giannotti et al., 2011). The inclusion of some of these ideas are already available in psychological research dealing with decisions of drivers and motorcyclists while commuting on the road (Correa, 2016). However, approaches of this sort are very rare, perhaps because their methods have more to do with artificial intelligence rather than traditional methodologies employed in consumer research. In any case, the idea of adopting an interdisciplinary approach for studying urban mobility as a relevant topic for consumer research invites our disposition to rethink the variables we use to model consumers' choices as well as the tools and methods we employ for data analysis.

In highly dense Latin American cities such as Bogotá, Caracas or Mexico the use of several transportation means is the standard practice given the costs of commuting with only one transportation mode. As obvious as it is, the analysis of this fact has been ignored in consumer research. How people combine different transportation means for commuting from home to work and back? What other variables might serve as predictors of this behavior? These questions can be answered with spatial analyses and decision trees. Given the prominent role of distances in urban mobility the application of spatial analysis is well-suited. Spatial analysis deals with the "relationship between geographic reality and how that reality is captured in a digital database in the form of a data matrix containing both attribute data and data on locations" (Haining, 2003, p. xv). Here the use of geographic coordinates to identify the exact locations of specific points within cities is a key ingredient in the analysis. The use of these coordinates can be integrated into the decision tree analysis. According to Rokach and Maimon (2014) a decision tree can be understood as a classifier or regression model. When they are used for classification purposes, it is more appropriately referred to as a classification tree and when they are employed for regression tasks, it is known as regression tree. The key difference between the former and the later relates to the nature of the target or dependent variable (i.e., classification trees are applied for nominal or categorical variables, while regression trees are applied for continuous variables). Trees work as a recursive partition of the instance space (the dependent variable). Its nodes form a rooted tree with a "root" node that has no incoming edges. Other nodes have exactly one incoming edge. The "internal nodes" are those with outgoing edges. All other nodes are called "leaves", "terminal" or "decision" nodes. Each internal node splits the instance space into two or more sub-spaces according to a certain discrete function of independent variables. The simplest case is the one in which each test considers a single categorical attribute, such that the instance space is partitioned according to the attributes value. In the case of numeric attributes, the condition refers to a range of values. The researcher can also specify in advanced the minimum number of observations in a node as well as the decrease in the overall lack of fit that has to be met before attempting a new split for the tree. As an exploratory technique, decision trees are quite useful in indicating the most important predictors/classifiers for our target variables.

#### MATERIALS AND METHOD

A field survey was conducted to explore commute practices by inhabitants of Bogotá city and its surroundings. Subjects were asked to report the health program affiliation they belonged to, as well as their places of residence and work and its corresponding commute duration. Subjects were also asked to report their weekly frequency of using different transportation means in Bogotá including Uber services, public taxies, busses, private cars, Transmilenio, bicycles, motorcyles and/or walking. A total of 2,135 subjects participated in this study. The geographical coordinates for every reported place of residence and work were looked by using the geobatch geocode tool available at https://www.mapdevelopers.com/batch geocode tool. php. Unemployed participants as well as those who did not respond their home and work places were discarded from the spatial analysis which was conducted in R (R Core Team, 2016) with the aid of the ggmap package (Kahle & Wickham, 2013). The decision tree analysis for predicting travel times from other socio-economic variables collected in the survey was also conducted in the R environment with the aid of the rpart package (Therneau, Atkinson, & Ripley, 2015). The resulting sample after discarding missing values consisted of 2,130 subjects. The analysis that is present in this paper can be absolutely reproduced with an easy-to-use R script that we also developed for those interested in replicating the results. This script is available under request.

#### RESULTS

The regression decision tree (Figure 1A) revealed the health program affiliation type as the first criteria to predict commuters' travel time. Consumers can be split into those with a "contributive" health affiliation and those without it (subsidized or without health affiliation). People in this latter category are also split into those who have the main economic responsibility and those who do not. In contrast, people affiliated to a contributive health program can be split according to their workplace longitude location (inside Bogotá or not); sex and home latitude location (Bogotá or Northern Surroundings).

Figure 1B depicts the geographic distribution of commuters. By analyzing commuting practices, we noticed that the majority of citizens use at least five different transportation modes per travel (bubble size indicates the amount of different transportation means needed to travel in Bogotá city). Particularly, people living in southern localities such as Soacha, Tunjuelito and San Cristóbal (at the bottom of the map) tend to use at least four different transportation modes for each travel between home and work. Commuting time between home and work proved to be highly skewed ranging from virtually zero minutes (i.e., people who worked at their homes) to three hours (i.e., people living out of Bogotá). In general and regardless their health program affiliation, women's travel time is 13.38 minutes longer than men's one (F = 58.32; p < 0.001). Commuters' travel time proved to be mildly associated with their educational attainment, with longer times for people with higher levels of formal education (r =0.17;  $p \le 0.01$ ). Commuters with the main economic responsibility for their families travel almost 14 minutes slower compared with those without this charge (F = 61.26; p < 0.001), but the association between socio-economic status and commuters' travel time proved to be almost zero and non-significant (r = 0.04; p = 0.101).

#### **CONCLUDING REMARKS**

The aim of this paper was to illustrate how consumer researchers in general and consumer psychologists in particular might contribute in urban planning tasks as interdisciplinary data analysts. Such a contribution has already been foreseen by previous consumer researchers involved in the "Transformative Consumer Research" movement (Anderson et al., 2013). The key idea of this paper was to advocate the benefits of exploiting the potential of data analytical tools that are not typically taught in courses of consumer research methods, but are more typical in other sciences like physics, geographic information sciences or computer sciences.

In particular, we showed the usefulness of obtaining and analyzing the geographic coordinates of consumers' homes and workplaces to classify them for eventual purposes of transformative consumer research (Anderson et al., 2013). Our results showed that people who work and pay for their own health program travel slower than those who do not completely pay their health program. As consumer researchers, the recognition of this mobility difference might be used for policy-making purposes, like planning suitable schedules for workers. Despite the fact that our focus was on mobility patterns of Bogotá, this approach is naturally extensible to other cities and countries. It is clear that our work, as consumer researchers, might be benefited from the use of these tools that urge us to collect data (i.e., geographic coordinates) not commonly known in our field. Perhaps a good leap to jump into this interdisciplinary approach might be facilitated with the use of data mining techniques already available in the Renvironment. The R script that we developed as a supplementary material for this paper might be handy for both interested researchers and students.

A final observation relates to the possibilities of using classifications of mobility patterns for advancing our knowledge of consumer choices under transportation restrictions (Botti et al., 2008). This is indeed a promising topic where consumer researchers might meet with colleagues of other fields to collaborate in interdisciplinary research projects committed to identify complex relationships between transportation and consumption.

#### REFERENCES

Aarts, H., Verplanken, B., & van Knippenberg, A. (1997). Habit and Information Use in Travel Mode Choices. *Acta Psychologica*, 96 (1-2), 1–14. doi: 10.1016/S0001-6918(97)00008-5

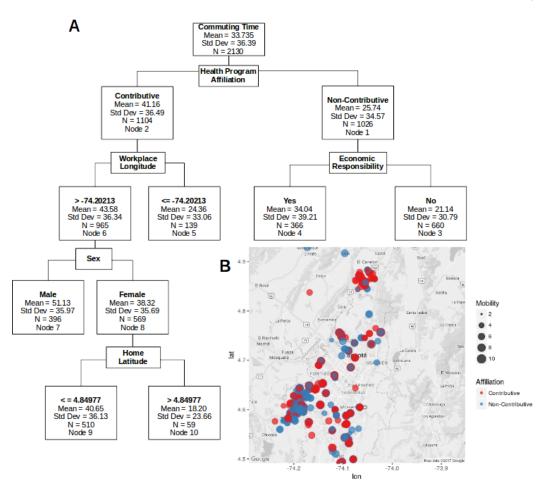


Figure 1. (A) Regression decision tree and (B) geographical distribution of Commuters

- Anderson, L., Ostrom, A. L., Corus, C., Fisk, R. P., Gallan, A. S., Giraldo, M., . . . others (2013). Transformative Service Research: An Agenda for the Future. *Journal of Business Research*. doi: 10.1016/j.jb,usres.2012.08.013
- Bamberg, S., Ajzen, I., & Schmidt, P. (2003). Choice of Travel Mode in the Theory of Planned Behavior: The Roles of Past Behavior, Habit, and Reasoned Action. *Basic and Applied Social Psychology*, 25 (3), 175–187. doi: 10.1207/ S15324834BASP2503\_01
- Botti, S., Broniarczyk, S., Häubl, G., Hill, R., Huang, Y., Kahn, B., . . . Wansink, B. (2008). Choice Under Restrictions. *Marketing Letters*, 19 (3-4), 183–199. doi: 10.1007/s11002-008-9035-4
- Brembech, H., Hansson, N., Lalane, M., & Vayre, J. (2015). Life Phases, Mobility and Consumption: An Etnography of Shopping Routes. London: Routledge.
- Brockmann, D., Hufnagel, L., & Geisel, T. (2006). The Scaling Laws of Human Travel. *Nature*, *439* (7075), 462–465. doi: 10.1038/nature04292
- Chen, B. Y., Yuan, H., Li, Q., Wang, D., Shaw, S.-L., Chen, H.-P., & Lam, W. H. (2017). Measuring place-based accessibility under travel time uncertainty. *International Journal of Geographical Information Science*, 31 (4), 783–804. doi: 10.1080/13658816.2016.1238919

- Correa, J. C. (2016). The Behavioral Interaction of Road Users in Traffic: An Example of the Potential of Intelligent Agent-Based Simulations in Psychology. *Revista Latinoamericana de Psicología*, 48 (3), 201–208, doi: 10.1016/j.rlp.2016.06.002
- Correa, J. C. (2017). Exploring the Synergy Between Motorists and Motorcyclists in Urban Mobilization. In P. Parrend, P. Bourgine, & P. Collet (Eds.), *First Complex Systems Digital Campus World E-Conference 2015* (pp. 291–295). Cham: Springer International Publishing. doi: 10.1007/978-3-319-45901-1 32
- Gakenheimer, R. (1999). Urban mobility in the developing world. *Transportation Research Part A: Policy and Practice*, 33 (7-8), 671–689. doi: 10.1016/S0965-8564(99)00005-1
- Giannotti, F., Nanni, M., Pedreschi, D., Pinelli, F., Renso, C., Rinzivillo, S., & Trasarti, R. (2011). Unveiling the Complexity of Human Mobility by Querying and Mining Massive Trajectory Data. *The VLDB Journal—The International Journal on Very Large Data Bases*, 20 (5), 695–719. doi: 10.1007/s00778-011-0244-8
- Gonzalez, M. C., Hidalgo, C. A., & Barabasi, A.-L. (2008). Understanding Individual Human Mobility Patterns. *Nature*, 453 (7196), 779–782. doi: 10.1038/nature06958
- Haining, R. P. (2003). Spatial Data Analysis: Theory and Practice. Cambridge: Cambridge University Press.

#### 104 / The Relevance of Urban Mobility for Consumer Research: An Interdisciplinary

- Jakovcevic, A., Franco, P., Dalla Pozza, M. V., & Ledesma, R. (2016). Percepción de los Beneficios Individuales del Uso de la Bicicleta Compartida como Modo de Transporte. Suma Psicológica, 23 (1), 33–41. doi: 10.1016/j.sumpsi.2015.11.001
- Kahle, D., & Wickham, H. (2013). ggmap: Spatial Visualization with ggplot2. *The R Journal*, 5 (1), 144–161. Retrieved from
- http://journal.r-project.org/archive/2013-1/kahle-wickham.pdf
- Kash, G., & Hidalgo, D. (2014). The Promise and Challenges of Integrating Public Transportation in Bogotá, Colombia. *Public Transport*, 6, 107–135. doi: 10.1007/s12469-013-0083-7
- Montezuma, R. (2005). The transformation of Bogota, Colombia, 1995-2000: Investing in citizenship and urban mobility. *Global Urban Development*, *1* (1), 1 10.
- Pham, M. T. (2013). The Seven Sins of Consumer Psychology. Journal of Consumer Psychology, 23 (4), 411-423. doi: 10.1016/j.jcps.2013.07.004

- R Core Team. (2016). R: A Language and Environment for Statistical Computing [Computer software manual]. Vienna, Austria. Retrieved from <u>https://www.R-project.org/</u>
- Rokach, L., & Maimon, O. (2014). Data Mining with Decision Trees: Theory and Applications. New Jersey: World scientific.
- Swait, J., & Adamowicz, W. (2001). Choice Environment, Market Complexity, and Consumer Behavior: A Theoretical and Empirical Approach for Incorporating Decision Complexity into Models of Consumer Choice. Organizational Behavior and Human Decision Processes, 86 (2), 141–167. doi: 10.1006/obhd.2000.2941
- Therneau, T., Atkinson, B., & Ripley, B. (2015). Rpart: Recursive Partitioning and Regression Trees [Computer software manual]. Retrieved from <u>https://CRAN.R-project.org/</u> <u>package=rpart (R</u> package version 4.1-10)

# **Consumer Behaviour Analysis Applied to Mobile Marketing**

Oscar Robayo-Pinzon, Institucion Universitaria Politecnico Grancolombiano, Colombia Montoya Luz-Alexandra, Universidad Nacional de Colombia, Colombia Sandra Rojas-Berrio, Universidad Nacional de Colombia, Colombia

#### EXTENDED ABSTRACT

The global increase in the number of mobile device, smartphone, and tablet users has generated an important opportunity for marketing specialists to get closer to consumers in ways that were not possible to have with traditional marketing methods. This is particularly evident for the market of smartphones. According to Portio Research (2013), the number of devices to be sold at global level will be 1,095 billion units in 2016. In the case of Latin America, the firm projected that the increase in the number of smartphone units sold will be 23.6% for the period between 2011 and 2016. In addition, the number of smartphone users globally could reach 3,067 billion by 2016, compared to the 770 million that existed in 2011, representing an increase of 398%.

The study of mobile marketing has been characterized so far to address the mechanisms of adoption and use of mobile technologies, because unlike desktop computer, and even laptop, mobile devices are considered as personal items of private use, which suggests that consumers have a very particular attitudes toward mobile communication compared to traditional media such as print, radio or television (Park, Shenoy and Salvendy, 2008).

For over a decade the potential benefits of mobile marketing has been observed, through the development of promotions, event marketing or experiential marketing, sending relevant content and relational marketing actions, all based on the properties of real-time connectivity and various forms of interaction that allows mobile platforms (Zoller, 2003).

Throughout this process, mobile marketing has become for companies in a two-way or multi-way communication tool, in order to create closer connections with customers. The increase in the penetration of mobile devices combined with the fast growth of market applications has made companies want to accelerate the incorporation of these tools into their mix of marketing tactics, seeking thereby to maintain a high level of competitiveness (Sultan and Rohm, 2005; Shankar and Malthouse, 2007; Shankar and Balasubramanian, 2009).

Mobile marketing research is only in its emergence stage, and although existing studies have provided some useful results, several aspects are still being developed on theoretical and empirical level (Deighton and Kornfeld, 2009). In this new field of academic research, one of the main approaches was aimed at examining a variety of factors that can influence the acceptance of mobile marketing from the perspective of both consumers and organizations (Roach, 2009). However, literature shows a high fragmentation in terms of the issues addressed. One of the main aspects has focused on the study of acceptance and consumer adoption of mobile services in general, such as multimedia messaging and online games (Foulds and Burton, 2006).

Another field of study, perhaps more specific, has been directed to investigate the attitudes and perceptions of consumers towards commercial applications and marketing on mobile devices (Leppäniemi and Karjaluoto, 2005). Moreover, in one hand there is no evidence in the literature of studies that have focused on the usage patterns of mobile marketing tactics and the establishment of functional relationships between contextual factors, usage behaviours and utilitarian and informational reinforcement changes. On the other hand, there is a lack of studies that deepen in that kind of technological mediation, and its role in management science. In order to do this, in this project it will keep into account the purchase and usage behaviour within a set of mobile apps and mobile marketing tactics. In addition, it will consider the results of researches carried out during several decades by authors like Ehrenberg (1972-1988) that show there are certain regularities and consistent purchase patterns that come from data analysis, collected through consumer panels that range from months to a year.

From that point of view, this project aims to investigate the functional relationships there are among different behavioural classes, context factors, and precedent elements as well as their consequences in the mobile marketing environment. In particular, the following question is going to be addressed:

¿What is the functional relationship between the consumption pattern of mobile marketing tactics under different contextual conditions and different levels of utilitarian and informational reinforcement?

To answer this question, the following general objective arises: establish what functional relationships exists between the consumption pattern of mobile marketing tactics under different contextual conditions and different levels of utilitarian and informational reinforcement. The following specific objectives are also proposed:

Identifying indicators and metrics for the use of mobile marketing tactics, from the literature review and a panel of industry experts.

Describe the usage patterns of mobile marketing tactics in different contexts, including advertising, promotions, location based communications and mobile shopping apps.

Establish the functional relationships between the consumption patterns of mobile marketing tactics under different contextual conditions and different levels of utilitarian and informational reinforcement.

- Deighton, J., & Kornfeld, L. (2009). Interactivity's unanticipated consequences for markets and marketing. Journal of Interactive Marketing, 23 (1), 4–10.
- Ehrenberg, A.S.C., (1972). Repeat-Buying: Theory and Applications. North Holland Publishing Company, Amsterdam.
- Ehrenberg, A.S.C., (1988). Repeat-Buying: Facts, Theory and Applications. 2nd Edition. New York: Oxford University Press/London: Griffin.
- Foulds, M. & Burton, S. (2006). Consumer use and rejection of an interactive telecommunications service: a network perspective. Working Paper (Series No. 2006-17). Macquarie Graduate School of Management, Macquarie University, Sydney.
- Leppäniemi, M. & Karjaluoto, H. (2005). Factors influencing consumers' willingness to accept mobile advertising: a conceptual model. International Journal of Mobile Communications, 3 (3), 197-213.
- Park, T., Shenoy, R. and Salvendy, G. (2008). Effective advertising on mobile phones: a literature review and presentation of results from 53 case studies. Behavior and Information Technology, 27 (5), 355-373.
- Portio Research (2013). Mobile Factbook. Chippenham, UK: Portio Research Limited (February).

## 106 / Consumer Behaviour Analysis Applied to Mobile Marketing

- Roach, G. (2009). Consumer perceptions of mobile phone marketing: a direct marketing innovation. Direct Marketing: An International Journal, 3 (2), 124-138.
- Shankar, V. and Malthouse, E.C. (2007). Moving interactive marketing forward. Journal of Interactive Marketing, 20 (1), 2-4.
- Shankar, V., & Balasubramanian, S. (2009). Mobile Marketing: A Synthesis and Prognosis. Journal of Interactive Marketing, 23 (2), 118-129.
- Sultan, F. & Rohm, A.J. (2005). The coming era of 'Brand in the Hand' marketing. Sloan Management Review, 47 (1), 83-90.
- Zoller, E. (2003). Wireless Marketing Opportunities. London, UK, Ovum Research.

# The Influence of Package Design on Consumer Preference

Ravindra Chitturi, Lehigh University, USA

Juan Carlos Londoño-Roldan, Pontificia Universidad Javeriana Cali, Colombia Maria Cecilia Henriquez-Daza, Pontificia Universidad Javeriana Cali, Colombia Ricardo Castaño, Pontificia Universidad Javeriana Cali, Colombia

# **EXTENDED ABSTRACT**

**STUDY 2: SHAPES** 

The influence of packaging on consumer behavior has been an object of study in the past. However, how to define color and shape to create desired aesthetics remains a challenge for marketers. An experiment demonstrated that blue was the dominant color related to water (Ngo, Piqueras-Fiszman, & Spence, 2012). Similarly, blue creates a sense of coolness and airiness (Cheskin, 1957). As a result, this study expects to find a positive influence on preference if color blue is selected for the design of the cap of a product such as bottled water.

Some studies have demonstrated there is a tendency to prefer rounded objects as opposed to sharp angular shaped objects. The tendency to prefer rounded objects is based on a fear response that angular contoured objects generate as they activate the amygdala (Bar & Neta, 2007). Therefore, we expect that consumers will prefer rounded shapes more than angular bottle shapes for water bottles. Similarly, anthropomorphic designs can generate approach, engaging consumers with the product and thus enhance brand performance (Puzakova, Kwak, & Rocereto, 2013). We expect that the water bottle with more anthropomorphic characteristics will be preferred more than non-anthropomorphic characteristics.

Perceived quality is understood as the overall judgment of the product's excellence (Anselmsson, Johansson, & Persson, 2007). We expect that the water bottle with blue color cap to have the highest influence on quality compared to bottles with white, black or red colored caps. Water is predominantly a utilitarian product because it serves a basic need so we expect a blue bottled water with anthropomorphic characteristics to inspire greater confidence and a sense of safety with the consumption of the water. Therefore, choice of the blue caped water bottle with anthropomorphic characteristics is associated more with primarily prevention emotions of safety, confidence and satisfaction.

A higher level of perceived product value is reflected in a higher expected price and other aspects (T. Erdem & Swait, 1998; Tülin Erdem & Swait, 2004). However, higher price could result in less preference, therefore, it is expected that preference for the product with the best combination of color and shape will decrease as price increases.

# **STUDY 1: COLOR**

90 students, and university staff participated an experiment that consisted in presenting the subjects with four bottles of water, with the same cylindrical shape (round), without labels or brands, each bottle was presented with a different color cap: blue, white, black and red. The participants' were informed that all the bottles had the same price and amount of water. The participants were asked to choose the bottle of their preference. The blue color cap bottle achieved the highest preference (68.9%)

The second study was performed with 33 subjects (different to those recruited for study 1), from the same conditions described for study 1. The respondents were presented with three bottles of water of different shapes: rounded, squared, and anthropomorphic. Participants were informed that all shapes had the same content of water. The anthropomorphic bottle achieved a superior preference (72.7%).

#### **STUDY 3. TWO BOTTLES AND PRICE.**

This study used only two bottles: anthropomorphic shape bottle with blue cap and a squared shape bottle with red cap. Participants were asked to select one of the two bottles in different price situations: Same price (control), 5%, 10% and 20% more in the price of the blue-curved bottle. The preference was higher for the curve-blue bottle (84.9%) as expected. As the price increased, the consumers started to change their preference and the percentage that selects curve-blue bottle deceases to 71.8% (5%) and 57.1% (10%). However, as the price gap increased to 20%, the preference for the anthropomorphic-blue bottle increased to 71.4%.

- Anselmsson, J., Johansson, U., & Persson, N. (2007). Understanding price premium for grocery products: a conceptual model of customer-based brand equity. *Journal of Product & Brand Management*, 16(6), 401-414.
- Bar, M., & Neta, M. (2007). Visual elements of subjective preference modulate amygdala activation. *Neuropsychologia*, 45(10), 2191-2200. doi:<u>http://dx.doi.org/10.1016/j.</u> neuropsychologia.2007.03.008
- Cheskin, L. (1957). How to predict what people will buy.
- Erdem, T., & Swait, J. (1998). Brand equity as a signaling phenomenon. *Journal of Consumer Psychology*, 7(2), 131.
- Erdem, T., & Swait, J. (2004). Brand credibility, brand consideration, and choice. *Journal of consumer research*, 31(1), 191-198.
- Ngo, M. K., Piqueras-Fiszman, B., & Spence, C. (2012). On the colour and shape of still and sparkling water: Insights from online and laboratory-based testing. *Food Quality and Preference, 24*(2), 260-268. doi:<u>http://dx.doi.org/10.1016/j.</u> foodqual.2011.11.004
- Puzakova, M., Kwak, H., & Rocereto, J. F. (2013). When humanizing brands goes wrong: the detrimental effect of brand anthropomorphization amid product wrongdoings. *Journal of Marketing*, 77(3), 81-100.

# Edgar Morin – The Uniduality of the Magical and the Real

Søren Askegaard, University of Southern Denmark, Denmark

# EXTENDED ABSTRACT

#### Society – a *complexus*

Edgar Morin is a sociologist of modernity and mass culture The most important thing to underline is that Morin's goal is not merely to deliver a cultural critique of the trivial and banal forms of mass culture. It represents an attempt to grasp both the systemic logic between culture production and modern capitalism but also how both this system and its products is formed by and forming the human imaginary and that this forming, beyond a simple alienation also represents a profound humanness – the stuff that dreams are made of. If mass culture is filled with nonsense, it is exactly because humanity is filled with it, not only in a negative but also a positive way:

One of the central conclusions of Morin's sociology is the significance of the "event", the fact that a single fantasmatic production of a narrative can produce a long chain of consequences. The event contributes to questioning even multi-causal and multirational explanatory frameworks for social and institutional change and provides a foundation for a fundamental critique of social prediction.

#### Homo Demens

Morin (1974) argues against one the one hand a biologistic reductionism that neglects cultural and communicative dimensions of humanity or reduces cultural forms to reflect simple evolutionary advantages. On the other hand, he accuses anthropology for neglecting the fact, that humans are not only cultural but also biological beings. Human nature and human culture are not "separate layers" of human existence but mutually constitutive. *Homo Sapiens* is not separate from nature and human order is not in opposition to natural (dis) order, at the same time as disorder is a fundamental and constitutive element in the formation of humanity

Behind the reassuring name of *Sapiens*, Morin writes, the true face of the human being appears. It is an animal of *hubris*, of strong and unstable feelings, an animal that invents demons and chimera and who is always caught in the dilemma of deciding what is real and what is unreal; an animal that is ecstatic, loving and violent; who knows death without being able to believe in it, an animal of delirium and pleasure, myth, magic and illusions. And since we, Morin concludes, by madness understand the combination of illusion, exaggeration, instability, hesitance between real and unreal, subjective and objective, error and disorder, a more correct denomination for the human species might be *homo demens*.

## The uniduality of the magic and the real

Morin's most important legacy may be his opus major, the search for a *scienza nouva* as unfolded in the six volumes of *La Méthode*. In the two first volumes (Morin 1977, 1980), he applies the perspective of complex, open systems on the physical world and the biological world respectively. This he does in order to provide a general foundation for his real concern – the discussion of the complexity of the human knowledge (Morin 1986, 1991) and human societies (2001, 2004). It is noteworthy, that Morin with this work aims at the establishment of a certain unity of science. However, instead of the logical-empiricist goal of analytical and logical reductionism that has served as an unattainable goal for much social science, Morin's unity of science is based on principles of self-organization and complexity in physical, biological and anthropological systems.

Morin himself highlights three principles that characterize a complex epistemology: The principle of dialogic, the principle of recursiveness and the hologrammatic principle (Morin 1986). The consumer research interest in such an epistemology is first and foremost the acknowledgment of what Morin would call the uniduality of concepts. For example, it generates an ability to see not the opposition between the rational and the magic but their mutual dependence and their deep ingraining in the formation of the human subject.

- Morin, E. (1973). *Le paradigme perdu: la nature humaine*. Paris: Seuil
- Morin, E. (1977). La méthode 1 : La nature de la nature, Paris: Seuil
- Morin, E. (1980). La méthode 2 : La vie de la vie, Paris: Seuil
- Morin, E. (1986). La méthode 3 : La connaissance de la connaissance, Paris: Seuil
- Morin, E. (1991). La méthode 4 : Les idées, Paris: Seuil.
- Morin, E. (2001). La méthode 5 : L'humanité de l'humanité, Paris: Seuil
- Morin, E. (2004). La méthode 6 : L'éthique, Paris: Seuil

# Why Do They Have It and Not I? Envy and Consumption

Kirla Ferreira, EAESP-FGV, Brazil

Delane Botelho, EAESP-FGV, Brazil

#### INTRODUCTION

In contemporary society, we are surrounded by people displaying, online or offline, their possessions, talents and new acquisitions, tempting us to want the things that they have and we do not. And when we start asking ourselves why they have it and not we, envy may arise. Envy is a negative emotion that occurs when one wants what someone else has (Lazarus, 1991; Parrott & Smith, 1993). Recent consumer researches demonstrate that a more benign form of envy is a consumption motivator and highlight the differences between the two subtypes of the emotion. However, a literature review on envy reveals that we are far from understanding this emotion in the consumer behavior area. In this study, we investigate how the envy concept is defined within different perspectives, its core features, coping strategies that may or may not drive consumption, and the resulting positive and negative consequences. Our objective is to develop a theoretical framework with a series of propositions, suggesting that both subtypes of envy may occur simultaneously and that benign envy may also motivate less unnecessary consumption.

#### WHAT IS ENVY?

Envy is a negative emotion that results from goal incongruence, occurring when one does not have what someone else has, "a superior quality, achievement or possession", which leads to a desire to have it and/or a wish that the other person does not have it, or even loses it (Lazarus, 1991; Parrott & Smith, 1993, p. 906). In a negative emotion experience, a state of impermanence is established and to return to a normal state, one is motivated to act to cope with the emotion (Lazarus 1991; Bagozzi, Gopinath, & Nyer 1999). The coping strategies of envy vary accordingly to how the emotion is experienced; in an upward social comparison, a gap between an envious person and an envied superior other is created, and to reduce this gap, the envious one may be motivated to improve herself, driven by benign envy, or to pull down the superior other, moved by malicious envy (Belk, 2011; Lamberton, Kristofferson, & Dahl, 2013; Van de Ven, Zeelenberg, & Pieters, 2009). For Kant, envy is a propensity to view the well-being of others with distress, even though it does not detract from one's own. It is a reluctance to see our own well-being overshadowed by another's because the standard we use to see how well off we are is not the intrinsic worth of our own well-being but how it compares with that of others (Kant, 1785/1996).

In the traditional view of envy, malicious envy is an unpleasant and painful emotion caused by an upward social comparison, with hostile feelings that may lead to hostile actions (Smith & Kim, 2007). A person may experience a feeling of pain when she discovers that someone else owns something that she desires but does not have, and if she realizes that she is unable to obtain it, she wishes that the other person loses it and may do anything to make it happen, eliciting a "malicious ill will" toward the envied other (Belk, 2011, p. 121; Schimmel, 2008). Most often, the malicious envious person does not make use of violence against the envied other or compete directly for the desired object, instead she wishes that the other loses the advantage or suffer (Clanton, 2006; Schoeck, 1969). Malicious envy consumers may be motivated to follow two paths to cope with the emotion: i) a destructive one to pull the envied other down to the level of the envious self, driving harming behaviors (Smith, Parrott, Ozer, & Moniz, 1994; Van de Ven et al., 2009; Van de Ven, Zeelenberg, & Pieters, 2011), such as one sabotaging a friend gossiping that

her beautiful coveted Chanel bag is not original; ii) finding alternative options to make the envied option less desirable, aiming social differentiation to reduce the gap (Lamberton et al., 2013; Van de Ven et al., 2011), such as one buying a Gucci bag to differentiate herself from the envied Chanel bag that a friend has.

On the other hand, benign envy is free of hostile feelings or harming behaviors; its focus is "I wish I had what you have" and not "I wish you did not have what you do" (Neu, 1980; Parrot, 1991, p. 10). Benign envy inspires people to improve themselves, to level up through consumption buying desired objects or even to consume to provoke envy; it is a consumption motivator (Belk, 2011). A benign envious person identifies something of value in an envied other that she wants, and become motivated to take actions. One person feeling benign envy of a friend's fit body may be driven to buy a gym membership and shop healthier foods. Both subtypes of envy are intense and negative; the essential appraisal that determines which one of them is elicited is the perception of the deservingness of the envied person: if she deserves the coveted object, benign envy occurs, if she does not, a subjective perception of injustice is felt and malicious envy may arise (Smith, Parrott, Diener, Hoyle, & Kim, 1999a; Smith et al., 1994; Van de Ven et al., 2011).

Some scholars have argued that benign envy should not be considered as pure envy (Miceli & Castelfranchi, 2007; Rawls, 1971; Schoeck, 1969; Silver and Sabini, 1978). Benign envy may lack hostile feelings that are essential for the "envy proper" definition, so it may be described as "closer to admiration and longing" (Smith & Kim, 2007, p. 49). However, many authors consider benign envy as a subtype of envy (Belk, 2011; Crusius & Lange, 2014; Foster et al., 1972; Neu, 1980; Parrott, 1991; Van de Ven et al., 2009; Ven, 2016). Following this view, we believe that there is a general type of envy with essential conditions that elicit the emotion, and two subtypes, benign and malicious, that may provide a more detailed level of the emotion and may occur simultaneously.

#### THEORETICAL FRAMEWORK

Our theoretical framework depicts some essential conditions of general envy, motivations that divide the emotion into two subtypes, envy coping strategies that drive consumption and the resulting positive and negative consequences. A series of propositions is also offered to provide insights for further studies in the consumption context. Figure 1 illustrates the relations to be discussed.

#### Antecedents

#### Upward social comparison.

Envy starts with an upward social comparison, when one notices that someone else has a desired advantage (Parrott, 1991; Smith et al., 1999). Individuals compare themselves to assess their own abilities and opinions, self-evaluation processes are accomplished by comparisons with others and social comparisons are mainly with those perceived as similar or slightly superior (Festinger, 1954). The more similar the compared one is to the person, the more intense are expected to be the comparison and the envy feeling if the other one is superior (Festinger, 1954; Salovey & Rodin, 1984). For envy to arise, not only the compared person should be similar or slightly superior on characteristics related to the comparison, but also the desired advantage should be important to the self, so people envy what they value (Lazarus, 1991; Salovey & Rodin, 1984; Smith, 2000;

#### 110 / Why Do They Have It and Not I? Envy and Consumption

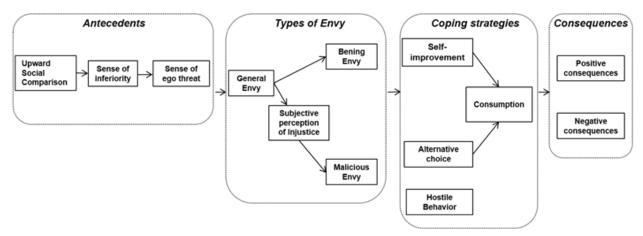


Figure 1. Integrative Framework

Tesser 1991). For example, an actress may compare herself to another one when both are auditioning to a movie, and may become envious if the other gets the part that she desperately wanted to play.

#### Sense of inferiority

From an upward social comparison, a person may realize that a close one is better than her in something that she values, and a complex range of emotions may be produced, which may be positive experiences, such as admiration and inspiration, or negative ones, such as envy and shame (Salovey & Rodin, 1984; Smith, 2000; van de Ven, 2015). When a person makes a self-evaluation comparing herself to another and recognizes that the other is superior in something that she lacks, she may analyze this deficit as self-caused; which may decrease self-esteem giving rise to feelings of inferiority, eliciting discontent and frustration, and provoking envy (Festinger, 1954; Parrott & Smith, 1993; Smith et al., 1999).

According to social comparison theory (Festinger, 1954; Wood, 1989), people select others who have similar characteristics related to the aspect under comparison to compare themselves. However, we propose that the more similar the characteristics in a variety of domains between a person and a compared other are, and the more related these are to the comparison, the stronger will be a sense of inferiority resulted from an upward social comparison. When an actress loses a movie part to another actress and starts a comparison process, the more similarities she perceives between both, more likely her self-esteem will decrease. If she perceives that both have similar acting experience, the same type of personality, similar age, race and sex, and even look like each other, having similar characteristics necessary to play the part, the more likely she will start questioning herself "why does she have it and not I?" and/or "What am I doing wrong?". She may not find any differences between their characteristics to justify why the other actress is superior and has this coveted part, and a sense of inferiority will emerge. So, the following proposition is posited:

Proposition 1: In an upward social comparison, the more similarity (concerning characteristics in a variety of domains that are related to the comparison object), the more likely a sense of inferiority will arise in the one who makes the comparison (and who perceives him/herself as inferior).

# Sense of Ego Threat

In the self-evaluation maintenance model (SEM), when one feels inferior on an important characteristic to one's self-concept to another, the closer the other person, the greater will be the threats to self-evaluation, being outperformed by a close one results in greater arousal than by a distant other (Tesser, Millar, & Moore, 1988). Students in the same classroom frequently compare their grades and presentations with each other; a student comparing her performance with an outstanding achievement of another student may start perceiving her work as low, affecting her self-evaluation and making her feel worse about herself. As envy arises from an upward social comparison, ego threat is a critical element of the emotion (Lamberton et al., 2013); when a person compares herself with another and an unfavorable comparison emerges, the other becomes "superior" in the desired compared aspect, and as a sense of inferiority may arise with a decrease in self-esteem, she becomes "inferior", and a gap between herself and the other may be created with a sense of ego threat. The higher the degree of inferiority a person feels about another that has a desired advantage, the bigger will be the gap between them and more likely she will feel a sense of ego threat. Thus:

Proposition 2: When a person perceives that a superior other has a desired comparable advantage and she feels inferior, the relationship between sense of inferiority and sense of ego threat will be positive.

# Types of envy

General envy is a discrete emotion which in a higher level is "the pain over good fortune of others" (Aristotle, 350BC/1954). It starts with an upward social comparison and with the recognition that a similar other is superior in a desired advantage, evolving to a sense of inferiority and a sense of ego threat (Lamberton et al., 2013; Parrott, 1991; Smith et al., 1999; van de Ven et al., 2015). If the person thinks that the envied peer does not deserve the desired advantage and starts resenting the unfairness, a subjective perception of injustice may occur, generating hostile affective behaviors toward the envied one, as anger and ill will, giving rise to a more detailed level of the emotion: the malicious envy (Smith et al., 1994; Smith et al., 1999). The perception that the envious person has of the deservingness of the envied one is essential to determine which subtype of envy is elicited (Van de Ven et al., 2011). Benign envy is more likely to occur when one thinks that the envied one deserves the advantage, and malicious envy occurs when she does not. We agree that there are two subtypes of envy; however, we propose that there are situations that they may occur simultaneously. For example, a person with benign envy toward a friend's fit body, may be motivated to improve herself and start exercising, she may also think that it is unfair that her friend may have a genetic predisposition to build muscles, which may elicit malicious envy. But this perception may not be strong enough to reduce the benign envy and its coping strategy of self-improvement to malicious envy and ill will; she may still be motivated to have a fitted body driven by benign envy, even still thinking that it is unfair that her friend easily builds muscles. So, the following propositions are suggested:

- Proposition 3: The higher the subjective perception of injustice, the more strongly malicious envy will arise.
- Proposition 4: Under conditions of subjective perception of injustice, both benign and malicious envy occur simultaneously, if malicious envy is not strong enough.

## **Coping strategies**

Regardless the type of envy a person is feeling, she may be motivated to reduce the pain of the negative emotion and to decrease the gap between herself and an envied other, developing coping strategies. These strategies may vary and lead to a constructive or destructive motivation; benign envy may drive individuals to improve themselves to "level up" buying products, and malicious envy may drive harming behaviors to pull the envied one down or to choose alternative options aiming social differentiation (Belk, 2011; Lamberton et al., 2013; Van de Ven et al., 2009; Van de Ven et al., 2011). Benign envy of other's possessions drives consumption (Belk, 2011), which may bring positive and negative consequences as will be detailed next. However, benign envy may also reduce consumption in some situations, especially regarding coveted superior qualities or achievements of others. For example, a compulsive consumer who buys far beyond her means (O'Guinn & Faber, 1989) may feel benign envy not toward other's possession, but toward a frugal friend lifestyle and may be motivated to improve herself by reducing her consumption habits. So, when consumers feel benign envy of others' possessions, superior qualities or achievements, they are more likely to improve themselves to reduce the gap between their inferiority and the envied others' superiority. So,

- Proposition 5: When consumers feel benign envy of others' possessions, they are more likely to improve themselves by acquiring possessions.
- Proposition 6: When consumers feel benign envy toward others' superior qualities or achievements, they are more likely to improve themselves by acquiring possessions only if such acquisition helps them to achieve the desired advantage. In contrast, if the desired advantage requires fewer possessions, they are more likely to improve themselves by reducing acquisitions (for example, in cases when consumers envy those who achieved frugality status).

A malicious envious consumer may be motivated to pull the other down with hostile behaviors or may turn to social differentia-

#### Latin America Advances in Consumer Research (Volume 4) / 111

tion as a coping strategy to reduce the negative emotion. Social differentiation occurs when in a competition or comparison, someone else is better off in a decisive aspect; to be different, a consumer seeks out an alternative option searching for some new criteria to outperform the superior one (Lemaine, 1974). Van de Ven et al (2011) found that when an envied other was described as owing an iPhone, those who felt malicious envy were willing to pay more to buy a Blackberry. For example, instead of buying an envied Adidas shoe that a friend has, a consumer may buy a New Balance shoe to differentiate herself aiming "originality" (Lemaine, 1974) or "coolness" (Belk, Tian & Paavola, 2010). Thus:

Proposition 7: Alternative product consumption reduces malicious envy toward others' possessions, for those seeking social differentiation.

## Consequences

The benign envy coping strategy of self-improvement may bring positive and negative consequences to an envious person. If a benign envious person wishing what the other owns, acquires the desired object, she reduces her envy and increases happiness (Ackerman, MacInnis, & Folkes, 2000). However, if she struggles to buy the desired object to improve herself, negative consequences may arise such as consumer debt or overwork. Wooten et al (2011) discuss that although benign envy is free of hostile feelings, it may bring harm for consumers making them more vulnerable, especially low income ones. Some scholars argue that the acquisition of goods and emulation of envied other's consumption habits may develop unhappiness (Belk, 1985; Belk, Ger, & Askegaard, 2003). We believe that when one experiences a negative emotion as envy, a state of impermanence is established and coping strategies are produced to reduce the unpleasant feeling, and the most positive consequence of these strategies is the cease of the emotion. But if this positive consequence brings further negative consequences to the envious person, we consider the final outcome as a negative one and not positive. Thus, we propose:

- Proposition 8: When consumers feel benign envy, consumption has positive consequences (only when the consumption of a desired possession does not bring personal negative consequences and reduces the envy feeling).
- Proposition 9: When consumers feel benign envy, consumption has negative consequences (only when the consumption of a desired possession requires strong sacrifices, e.g.; excessive debt, bringing personal negative consequences, even when the envy feeling is reduced).

The malicious envy coping strategy of alternative product choices may also bring positive and negative consequences to an envious person. Following the same reasoning of self-improvement, if one buys an alternative product that does not bring further negative consequences, we may say that consumption of an alternative option of an envied product brings positive consequences to an envious person. But, if a person envying a friend's Prada sunglasses buys an alternative option that causes herself harm (such as a counterfeit Prada option), negative consequences emerge. Accordingly, the following propositions are projected:

#### 112 / Why Do They Have It and Not I? Envy and Consumption

- Proposition 10: When consumers feel malicious envy and consider alternative product choices, consumption has positive consequences (only when the consumption of an alternative product does not bring personal negative consequences and reduces the envy feeling).
- Proposition 11: When consumers feel malicious envy and consider alternative product choices, consumption has negative consequences (only when the consumption of a desired possession requires strong sacrifices, e.g.; excessive debt, bringing personal negative consequences, even when the envy feeling is reduced).

The most probable negative outcome of envy occurs when malicious envy motivates hostile behaviors resulting in negative consequences for the envious person and/or the envied other. This is envy in its pure form, a painful feeling that someone has something that one is unable to obtain, resulting in a wish that the other loses it, probably leading to hostile behaviors (Epstein, 2003; Schimmel, 2008; Smith & Kim, 2007). In this situation, envy is directed to the envied person, there is no consumption involved in the emotion coping process. This hostile nature of envy brings various negative consequences: some envious people spend their own money to hurt other people (Oswald & Zizzo, 2001), feel pleasure when the envied one suffers (Smith et al., 1996), and may suffer from mental health disorders, such as depression (Salovey & Rodin, 1984; Smith et al., 1994).

#### FINAL REMARKS

Though envy is a negative emotion and unpleasant experience, with feelings of inferiority and a sense of ego threat, its coping strategies may lead to constructive or destructive motivations resulting in positives or negatives consequences for envious consumers as presented in our framework and propositions. In our contemporary society, consumers are constantly tempted by envy, especially nowadays where online social networks promote social comparisons. So, it is critical to understand this construct from a consumption perspective and its positive and negative consequences to consumers. Envy has a powerful influence in everyday social interactions and in shaping societal norms, and its effects on consumption need to be further explored (Miceli and Castelfranchi, 2007; Smith & Kim, 2007). Our framework is comprehensive in that it integrates antecedents, types, coping strategies and consequences of envy, and our propositions attempt to provide a starting point for future inquiry and to instigate researchers to study this emotion in a consumption context. And maybe, with a deeper understanding of this condemned and hidden negative emotion, we can better educate ourselves and other consumers, to recognize and acknowledge envy feelings, to be able to transform them in positive consequences for consumer's well-being.

# ACKNOWLEDGEMENT

This research was conducted during a scholarship supported by CAPES – Brazilian Federal Agency for Support and Evaluation of Graduate Education, at EAESP-FGV.

## REFERENCES

Ackerman, D., MacInnis, D., & Folkes, F. (2000). Social comparisons of possessions: when it feels good and when it feels bad. *Advances in Consumer Research*, 27, 173–178.

- Aristotle. (1954). The rhetoric and the poetics of Aristotle (W. R. Roberts, Trans.). New York, NY: Modern Library. (Original work published 350 BC)
- Bagozzi, R. P., Gopinath, M., & Nyer, P. U. (1999). The role of emotions in marketing. *Journal of the academy of marketing science*, 27(2), 184-206.
- Belk, R. W. (1985). Materialism: Trait aspects of living in the material world. *Journal of Consumer research*, *12*(3), 265-280.
- Belk, R. (2011). Benign envy. AMS review, 1(3-4), 117-134.
- Belk, R. W., Ger, G., & Askegaard, S. (2003). The fire of desire: A multisited inquiry into consumer passion. *Journal of consumer research*, 30(3), 326-351.
- Belk, R. W., Tian, K., & Paavola, H. (2010). Consuming cool: behind the unemotional mask. In R. Belk (Ed.), *Research in consumer behavior*, Vol 12 (pp. 183–208). Bingley, UK: Emerald.
- Clanton, G. (2007). Jealousy and Envy. In J.E. Stets & J.H. Turner (Eds.) *Handbook of the Sociology of Emotions* (pp. 410-442). New York, NY: Springer.
- Crusius, J., & Lange, J. (2014). What catches the envious eye? Attentional biases within malicious and benign envy. *Journal* of Experimental Social Psychology, 55, 1-11.
- Epstein, J. (2003). *Envy: The seven deadly sins*. New York, NY: Oxford University Press.
- Festinger, L. (1954). A theory of social comparison processes. *Human relations*, 7(2), 117-140.
- Foster, G. M., Apthorpe, R. J., Bernard, H. R., Bock, B., Brogger, J., Brown, J. K., ... & Freeman, S. T. (1972). The anatomy of envy: A study in symbolic behavior [and comments and reply]. *Current anthropology*, 13(2), 165-202.
- Kant, I. (1996). Foundations of the metaphysics of morals (M. Gregor, Trans.). New York, NY: Cambridge University Press. (Original work published 1785)
- Lamberton, C., Kristofferson, K., & Dahl, D. W. (2013). TAKING THE JONESES (AND THEIR STUFF) DOWN A NOTCH OR TWO: CONSUMER ENVY, HARMING BEHAVIORS, AND OUTCOME VALUATION. http://public-prod-acquia. gsb. stanford. edu/sites/default/files/documents/mktg\_11\_13\_ Lamberton. pdf.
- Lazarus, R. S. (1991). *Emotion and adaptation*. New York, NY: Oxford University Press.
- Lemaine, G. (1974). Social differentiation and social originality. *European Journal of Social Psychology*, 4(1), 17-52.
- Miceli, M., & Castelfranchi, C. (2007). The envious mind. Cognition and emotion, 21(3), 449-479.
- Neu, J. (1980). Jealous thoughts. In R. Rorty (Ed.), *Explaining emotions* (pp. 425–463). Berkeley, CA: University of California Press.
- O'Guinn, T. C., & Faber, R. J. (1989). Compulsive buying: A phenomenological exploration. *Journal of consumer* research, 16(2), 147-157.
- Parrott, W. G. (1991). The emotional experiences of envy and jealousy. In P. Salovey (Ed.), *The psychology of jealousy and envy* (pp. 3–30). New York, NY: Guilford.
- Parrott, W. G., & Smith, R. H. (1993). Distinguishing the experiences of envy and jealousy. *Journal of personality and* social psychology, 64(6), 906-920.
- Rawls, J. (1971). A theory of justice. Cambridge, MA: Belknap Press.

#### Latin America Advances in Consumer Research (Volume 4) / 113

Salovey, P., & Rodin, J. (1984). Some antecedents and consequences of social-comparison jealousy. *Journal of Personality and Social Psychology*, 47(4), 780-792.

Schimmel, S. (2008). Envy in Jewish thought and literature. In R. H. Smith (Ed.), *Envy: Theory and research* (pp. 17–38). New York, NY: Oxford University Press.

Schoeck, H. (1969). *Envy: A theory of social behavior* (D. Neid, Tans.). New York, NY: Harcourt, Brace, and World.

Silver, M., & Sabini, J. (1978). The social construction of envy. Journal for the Theory of Social Behaviour, 8(3), 313-332.

Smith, R. H. (2000). Assimilative and contrastive emotional reactions to upward and downward social comparisons. In J. Suls & L. Wheeler (Eds.), *Handbook of social comparison: Theory and research* (pp. 173–200). New York, NY: Kluwer Academic/Plenum.

Smith, R. H., & Kim, S. H. (2007). Comprehending envy. *Psychological bulletin*, 133, 46–64.

Smith, R. H., Parrott, W. G., Diener, E. F., Hoyle, R. H., & Kim, S. H. (1999). Dispositional envy. *Personality and Social Psychology Bulletin*, 25(8), 1007-1020.

Smith, R. H., Parrott, W. G., Ozer, D., & Moniz, A. (1994). Subjective injustice and inferiority as predictors of hostile and depressive feelings in envy. *Personality and Social Psychology Bulletin*, 20(6), 705-711.

Smith, R. H., Turner, T. J., Garonzik, R., Leach, C. W., Urch-Druskat, V., & Weston, C. M. (1996). Envy and schadenfreude. *Personality and Social Psychology Bulletin*, 22(2), 158-168.

Tesser, A. (1991). Emotion in social comparison and reflection processes. In J. Suls & T. A.Wills (Eds.), *Social comparison: Contemporary theory and research* (pp. 115–145). Hillsdale, NJ: Lawrence Erlbaum. Tesser, A., Millar, M., & Moore, J. (1988). Some affective consequences of social comparison and reflection processes: the pain and pleasure of being close. *Journal of personality* and social psychology, 54(1), 49-61.

Van de Ven, N. (2015). Envy and admiration: Emotion and motivation following upward social comparison. *Cognition* and Emotion, 31(1), 193-200.

Van de Ven, N., Hoogland, C. E., Smith, R. H., van Dijk, W. W., Breugelmans, S. M., & Zeelenberg, M. (2015). When envy leads to schadenfreude. *Cognition and Emotion*, 29(6), 1007-1025.

Van de Ven, N., Zeelenberg, M., & Pieters, R. (2009). Leveling up and down: the experiences of benign and malicious envy. *Emotion*, 9(3), 419-429.

Van de Ven, N., Zeelenberg, M., & Pieters, R. (2011). The envy premium in product evaluation. *Journal of Consumer Research*, 37(6), 984-998.

Ven, N. (2016). Envy and its consequences: Why it is useful to distinguish between benign and malicious envy. Social and Personality Psychology Compass, 10(6), 337-349.

Wood, J. V. (1989). Theory and research concerning social comparisons of personal attributes. *Psychological bulletin*, 106(2), 231-248.

Wooten, D. B., Harrison, R. L., & Mitchell, N. (2011). Benign envy: is there a dark side of light green?. AMS review, 1(3-4), 137-139.

Zizzo, D. J., & Oswald, A. J. (2001). Are people willing to pay to reduce others's incomes?. *Annales d'Economie et de Statistique*, 39-65.

# The Impact of Consumer Mood on Use of Mobile Payment

Sahar Karimi, University of Liverpool Management School, UK Yu-Lun Liu, Coventry University, UK

#### **EXTENDED ABSTRACT**

Current studies of m-payment usage have predominantly focused on the technology acceptance model (TAM). Although TAM's antecedent constructs (e.g., ease of use and usefulness) can shed light on the adoption of m-payment services, they do not adequately explain consumers' usage behaviour. Therefore, other factors that can explain m-payment adoption behaviour of consumers should be examined (Djamasbi et al., 2010). Drawing on the Mood-Behaviour Model (MBM), proposed by Gendolla (2000), we suggest that affective states of consumers can influence their m-payment adoption by having a) an informational impact and b) a directive impact. Mood is, therefore, a strong determinant of consumer usage behaviour that could be evoked by retailers to increase penetration of m-payment services.

Mood is a long-lasting affective state that can be associated with a positive or negative valence (Biss, et al., 2010). Compared to emotions and feelings, moods are more holistically experienced and are not affective reactions to specific events (Gendolla, 2000). Prior research (e.g. Djamasbia et al., 2010) has demonstrated that moods have significant effect on individuals' cognitive processing and can effectively influence their decisions and reactions. According to the mood-behaviour model (MBM), moods can have two types of impact on human behaviour: informational and directive impacts (Gendolla, 2000). The informational impact of mood changes the behaviour by influencing judgments. People use their mood as an input to their decision making by asking themselves how they feel about a decision problem (Schwarz and Clore, 1983). Directive impact of the mood, on the other hand, influences behavioural preferences by triggering hedonic motives. In this situation, people who are hedonically oriented seek to maintain their positive mood and repair a negative mood by changing their decisions and behaviour. Therefore, mood affects actions by influencing cognitive processing and hedonic motivations in individuals. It is able to prompt certain behaviour in consumers such as their m-payment usage intention.

Positive mood leads to a more optimistic evaluation and assessment of expectations and has a positive influence on intention to adopt a new technology (Djamasbia et al., 2010). Consequently, positive mood can enhance consumers' intention to use m-payment as they will assess its value more optimistically, while negative mood may decrease the willingness of using m-payment. However, moods can affect individuals differently (Salovey et al. 1995). This research considers two individual characteristics of decision-making style and shopping gratification motives that closely relate to the two impacts of mood.

Consumer's decision-making style may be a factor that moderates the effect of mood on m-payment adoption. Schwartz et al. (2002) propose that individuals have different maximisation tendencies and can be classified into maximisers or satisficers. Maximisers are careful decision-makers and engage with intensive cognitive processing; they cautiously weigh and evaluate the information. Satisficers do not spend as much time and effort on information evaluation (Karimi et al., 2015) and tend to use heuristics (Liu et al., 2016) that simplify their choice behaviour such as instincts and feelings. They are inclined to use what they feel as information in order to make a decision. Therefore, satisficers are more affected by informational mood impacts, compared with maximisers.

On the other hand, directive impact of mood suggests that individuals are motivated to sustain positive and avoid negative affective states (Gendolla, 2000). They perform certain behaviour to serve this purpose. However, not all consumers have the same level of motivation to maintain or repair their mood. The Uses and Gratification (U&G) theory proposes that the level of gratification affects an individual's motivation towards an action. In a purchase situation, 'gratification shopping motives' refer to purchase related behaviour that help consumers to escape from a negative state (Arnold and Reynolds, 2003). Consumers, who are high in level of gratification shopping motives, have a stronger motivation to release their tension when experiencing negative mood. This leads to prompting a behaviour that can repair their mood. Provoked behaviour can simply act as a distraction from the negative mood (Wegener and Petty 1994). The decision to use m-payment, an opportunity to distracts the consumer from negative feelings, can be used as a way to repair their mood. This research examines a threeway interaction between mood valence, consumer decision-making style and level of gratification shopping motives.

A scenario-based experiment has been designed to examine the impact of mood valence on m-payment adoption and to explore the moderating effects of decision-making style and gratification shopping motives. A pre-test with 30 participants verified the experimental manipulations (mood valence). The study was conducted with a sample of 125 participants (68 male and 57 female) in September 2016. Participants were randomly assigned to a positive mood or negative mood scenario and their individual characteristics (i.e. decision-making style and gratification shopping motives) were measured using previously developed scales (Dalal et al., 2015 and Arnold and Reynolds, 2003). After experiencing the mood manipulation, they were asked about their intention to use m-payment for paying their order.

Results indicate that consumers' mood alters their m-payment usage intention. The effect of mood varies according to customer's decision-making style and gratification shopping motive. Satisficers are demonstrated to be influenced by the informational impact of mood; they use their mood as information when making decisions. On the contrary, maximisers are influenced by the directive impact of mood; they try to repair their negative feelings through the choices. Findings suggest that mood state is an influential variable that should not be ignored and underestimated when examining m-payment usage decisions.

- Arnold, Mark J., and Kristy E. Reynolds (2003), "Hedonic shopping motivations," Journal of retailing, 79(2), 77-95.
- Biss, Renée K., Lynn Hasher, and Ruthann C. Thomas (2010),
  "Positive mood is associated with the implicit use of distraction," Motivation and emotion, 34(1), 73-77.Dalal, Dev K., Dalia L. Diab, Xiaoyuan Susan Zhu, and Timothy Hwang (2015), "Understanding the construct of maximizing tendency: A theoretical and empirical evaluation," *Journal of Behavioral Decision Making*, 28(5), 437-450.
- Djamasbi, Soussan, Diane M. Strong, and Mark Dishaw (2010), "Affect and acceptance: Examining the effects of positive mood on the technology acceptance model," *Decision Support Systems*, 48(2), 383-394.

#### Latin America Advances in Consumer Research (Volume 4) / 115

- Gendolla, Guido HE (2000), "On the impact of mood on behavior: An integrative theory and a review," *Review of general psychology*, 4(4), 378.
- Karimi, Sahar, K. Nadia Papamichail, and Christopher P. Holland (2015), "The effect of prior knowledge and decision-making style on the online purchase decision-making process: A typology of consumer shopping behaviour," *Decision Support Systems*, 77, 137-147.
- Liu, Yu-Lun, Kathleen A. Keeling, and K. Nadia Papamichail (2016), "Maximising the credibility of realistic job preview messages: the effect of jobseekers' decision-making style on recruitment information credibility," *The International Journal* of Human Resource Management, 1-35.
- Salovey, Peter, John D. Mayer, Susan Lee Goldman, Carolyn Turvey, and Tibor P. Palfai (1995), "Emotional attention, clarity, and repair: Exploring emotional intelligence using the Trait Meta-Mood Scale".

- Schwarz, Norbert, and Gerald L. Clore (1983), "Mood, misattribution, and judgments of well-being: Informative and directive functions of affective states," *Journal of personality* and social psychology, 45(3), 513.
- Schwartz, Barry, Andrew Ward, John Monterosso, Sonja Lyubomirsky, Katherine White, and Darrin R. Lehman (2002), "Maximizing versus satisficing: happiness is a matter of choice," *Journal of personality and social psychology*, 83(5), 1178.
- Wegener, Duane T., and Richard E. Petty (1994), "Mood management across affective states: the hedonic contingency hypothesis," *Journal of personality and social psychology*, 66(6),1034.

# **Brand Extensions and Construal Culture**

Sanjay Mishra, University of Kansas, USA Surendra N. Singh, University of Kansas, USA Pronobesh Banerjee, Pennsylvania State University, USA Ze Wang, University of Central Florida, USA

# EXTENDED ABSTRACT

More than 80% of new product introductions are extensions (Simms 2005). Brand extensions are cheaper to develop and far less risky than radically new products (Keller 2003). An extension's success or failure depends in part on how it is positioned and, if the extension is introduced globally, how it is received across multiple cultures.

An extension can be positioned as an exemplar fit-"the level of consistency between a brand extension and an existing product of the brand"-or a prototype fit-"the level of consistency between a brand extension and the generalized imagery of the brand" (Mao and Krishnan 2006, p. 42). Which of these two positionings is more likely to succeed depends on the accessibility of existing brand associations (e.g., the concrete image of the baby shampoo bottle versus the prototypical softness of Johnson & Johnson products) held in the target customer's memory (Ng and Houston 2006). The answer may lie in the customer's cultural background, which governs a person's self-view or self-construal (Ahluwalia 2008; Monga and John 2007). Self-construal is how one sees oneself with respect to others (Markus and Kitayama 1991). North Americans generally have an independent self-construal, which means they tend to perceive themselves as separate and unique from others. East Asians, on the other hand, tend to define their selves as "inextricably and fundamentally embedded within a larger social network" (Gardner, Gabriel, and Lee 1999, p. 321) of roles and relationships, in line with their interdependent self-construal.

Self-construal predisposes people to process information in a characteristic way, such that certain types of information are more salient and readily accessible in memory. Consequently, they should be more receptive to a particular type of extension—either prototypeor exemplar-based. In view of the staggering size of brand extension efforts—both the number of extensions and the costs associated with them—and failure rates of 50% to 60% (Vasek 2002), these issues are of pivotal strategic importance. Resolving them could not only shape an extension's introduction strategy, including the choice of extension type (exemplar versus prototype) but also pinpoint the markets where an extension type is more likely to succeed.

We study the interaction between the extension type and the customers' cultural background as manifest in self-construal. Noting differences in the characteristic modes of cognition across people with different self-construals, we expect that failure or success of an extension redound only on the attitude toward the parent brand for independents, but it affects the most accessible exemplar (flagship product) for interdependents.

#### RESULTS

The results of Study 1 demonstrate that the dilution of overall attitude toward the parent brand and the most accessible exemplar of the brand depend on the accessibility of brand associations. For independents, the prototype associations were more accessible than the exemplar associations, resulting in dilution of only attitude to the brand,  $A_B$ . For interdependents, the greater accessibility of the exemplar associations led to the dilution of only attitude to the exemplar,  $A_{\rm EV}$ . Effect sizes in both studies are large (Cohen 1988)

suggesting that self-construal had a very strong impact on  ${\rm A}_{\rm B}$  and  ${\rm A}_{\rm EX}.$ 

Moreover, consistent with Ahluwalia and Gürhan-Canli (2000), the results of Study 1 also showed in conditions of high accessibility—when the parent brand and the exemplar were evaluated immediately after getting exposed to the extension news it was *only* the valence of the extension news (negative) and not the nature of the extension failure (prototype versus exemplar-based) that participants considered for evaluative purposes. Consequently, the negative impact of extension failure did not vary with the nature of extension.

In Study 2, also, the most accessible brand associations drove the evaluation process. Consequently, the greater accessibility of the prototype associations for independents led to the enhancement of only attitude toward the parent brand. In contrast, for interdependents, the greater accessibility of the exemplar associations led to the enhancement of only attitude toward the most accessible exemplar of the brand—its flagship product. The significant effect sizes measured by Cohen's *d* were greater than .8 ("large" effects, Cohen 1988, p. 22) and mirrored the brand dilution results from Study 1.

#### IMPLICATIONS

Results attest to the role of brand association accessibility in brand dilution and enhancement. The findings of both these studies follow a similar pattern, with the most accessible brand association determining the negative (dilution) and positive (enhancement) effects of extension failure and success. The significant effects in both studies were large in magnitude, which suggested that selfconstrual was a major determinant of participants' evaluations of the parent brand and the flagship product.

We also found that information about the failure of an extension had a greater impact on the evaluation of the parent brand and the flagship product than information about the success of an extension. This result is consistent with previous findings-that is, negative information is more diagnostic or informative than positive information (Fiske 1980; Maheswaran and Meyers-Levy 1990). It is also interesting to note that the extent of dilution (enhancement) of the parent brand for independents was similar to the dilution (enhancement) of the flagship product for interdependents. Thus, the differential accessibility of the abstract and concrete associations of a brand across forms of self-construal not only determined the pattern of the reciprocal effects of extension failure (success) but also the magnitude of the effects; the most accessible representationsparent brand versus the flagship product-underwent similar levels of dilution (approximately 35% on average) and enhancement (approximately 23% on average).

#### REFERENCES

Ahluwalia, Rohini (2008), "How Far can a Brand Stretch? Understanding the Role of Self-Construal," *Journal of Marketing Research*, 45 (June), 337-50.

and Zeynep Gürhan-Canli (2000), "The Effects of Extensions on the Family Brand Name: An Accessibility-Diagnosticity Perspective," *Journal of Consumer Research*, 27 (December), 371-81.

#### Latin America Advances in Consumer Research (Volume 4) / 117

Cohen, Jacob (1988), *Statistical Power Analysis for the Behavioral Sciences*, New York: Academic Press.

Fiske, Susan T. (1980), "Attention and Weight in Person Perception: The Impact of Negative and Extreme Behavior," *Journal of Personality and Social Psychology*, 38 (6), 889-906.

Gardner, Wendi L., Shira Gabriel and Angela Y. Lee (1999), "'I' Value Freedom, but 'We' Value Relationships: Self-Construal Priming Mirrors Cultural Differences in Judgment" *Psychological Science*, 10 (4), 321-26.

Gürhan-Canli, Zeynep and Durairaj Maheswaran (1998), "The Effects of Extensions on Brand Name Dilution and Enhancement," *Journal of Marketing Research*, 35 (November), 337-50.

Keller, Kevin L. (2003), Strategic Brand Management: Building, Measuring, and Managing Brand Equity, NJ: Prentice Hall.

Maheswaran, Durairaj and Joan Meyers-Levy (1990), "The Influence of Message Framing and Issue Involvement," *Journal of Marketing Research*, 27 (August), 361-67.  Mao, Huifang and H. Shanker Krishnan (2006), "Effects of Prototype and Exemplar on Brand Extension Evaluations: A Two-Process Contingency Model," *Journal of Consumer Research*, 33 (June), 41-49.

Markus, Hazel and Shinobu Kitayama (1991), "Culture and the Self: Implications for Cognition, Emotion, and Motivation," *Psychological Review*, 98 (April), 224–53.

Monga, Alokporna Basu and Deborah Roedder John (2007), "Cultural Differences in Brand Extension Evaluation: The Influence of Analytic versus Holistic Thinking," *Journal of Consumer Research*, 33 (March), 529-36.

Ng, Sharon and Michael J. Houston (2006), "Exemplars or Beliefs? The Impact of Self-View on the Nature and Relative Influence of Brand Associations," *Journal of Consumer Research*, 32 (March), 519-29.

Simms, Jane (2005), "Innovation: Where Are All the New Ideas?" *Marketing* (UK), 18 (December), 34-36.

Vasek, T. (2002), "Brand Stretching," McKWissen, 3 (1), 72-75.

# Gone but Not Forgotten: Caribbean Consumer Reactions to Retro-Marketing

Marvin Pacheco, The University of the West Indies,, Trinidad & Tobago Barney Pacheco, The University of the West Indies, Trinidad & Tobago

#### **EXTENDED ABSTRACT**

The decision by companies to reintroduce previously discontinued products is typically motivated by a desire to capitalize on the nostalgic appeal and lingering equity of their brands while mitigating the cost associated with developing new products. Brown, Kozinets and Sherry Jr. (2003) define this activity as retro-marketing. Although this strategy is becoming increasingly prevalent, academic interest in retro marketing has been sparse and largely conceptual in nature. It is thus important in the first instance, to examine the factors related to the discontinuation aspect of this activity, such as switching costs, the quality of the discontinuation implementation process and product type, which can significantly affect retro-marketing success but have not been examined in detail. Additionally, this study applies the appraisal theory of emotion to demonstrate how consumers' emotional responses to product discontinuation affect their purchase intentions for the brand upon re-launch.

Appraisal theory suggests that emotions are referent and arise when evaluative judgments are made about the relevance of an event or incident to one's personal wellbeing or after processing personally relevant information (Frijda, 1993). In any given situation an individual's emotional response and resulting behavioral outcome is based on two main processes; (1) the antecedents of the appraisal process (prior knowledge and experiences) and (2) the appraisal of personally relevant information (the degree of goal congruence, agency, normative/moral compatibility and goal importance). Therefore, personally relevant elements of the retro-marketing process such as switching costs, the quality of the discontinuation implementation process and the type of product involved are likely to be assessed by customers, which would inform their resulting emotional and behavioral reactions.

Switching costs can be defined as the various costs involved in changing between alternatives (Heide & Weiss, 1995) and can be grouped into three categories, namely continuity, learning, and sunk costs. When switching costs are perceived to be substantial, consumers will respond more negatively to the discontinuation of the product because they are likely to feel as though they are being punished rather than rewarded for their continuous loyalty by having their benefits removed (continuity costs) and have to engage in extensive search and evaluation (learning costs). As a result it was expected that:

## Hypothesis 1: Higher perceived switching costs lead to a stronger negative emotional response by consumers to product discontinuation.

The hypothesized effect of switching costs is likely to be moderated by the quality of the implementation process. According to Homburg, Fürst and Prigge (2010) this is the degree to which customers perceive that the firm has considered the impact on consumers when discontinuing a product. Failure to do so leads to a significant psychological costs that strain the company-customer relationship. Therefore, improving this process allows the company to offset the costs associated with product discontinuation and moderate the negative emotions experienced by consumers.

Hypothesis 2: The quality of the discontinuation implementation process moderates the relationship between perceived switching costs and a consumer's emotional response. Product type was also expected to influence consumer response because hedonic products are generally more affectrich in nature and provide a greater sensory appeal as compared to utilitarian products which are consumed mainly for functional purposes. Additionally, hedonic products are associated with higher anticipation utility suggesting a greater expectation to consume these types of products (Lowenstein, 1987). Violation of this expectation due to discontinuation will therefore negatively affect consumers' emotions since it is contrary to their emotional desires. This led to the following hypothesis:

## Hypothesis 3: Discontinuation of hedonic products elicits a stronger negative emotional response than discontinuation of utilitarian products.

Since emotional response has been shown to influence thinking, judgment and decisions (Forgas, 2003), negative emotions arising from product discontinuation were thought to reduce consumers' desire to remain loyal to the organization and the probability of purchase on re-introduction. We thus anticipated that efforts by the firm to persuade customers to purchase the discontinued product when reintroduced were likely to be less successful when directed at customers who were emotionally traumatized by the product's removal. As such, the following relationship was hypothesized.

#### Hypothesis 4: The more negative consumers' emotional response after product discontinuation, the lower their purchase intention on reintroduction of the product.

Data was collected via a survey randomly administered to 200 adult shoppers in face-to-face mall intercepts. Respondents were asked to identify a discontinued product that they were previously loyal to and indicate their emotional reactions after discontinuation and how likely they were to purchase the product if it was reintroduced. The products identified by respondents were classified by the researchers as either hedonic or utilitarian based on the extent to which the discontinued product was purchased for its functional usefulness (utilitarian) or its experiential value (hedonic product). The survey also included several questions to ascertain the perceived quality of the implementation process and switching costs faced by consumers. Information on consumer brand loyalty and demographics was recorded in order to control for the influence of these possible confounding factors.

Switching costs were found to be a strong predictor of the negative emotions experienced by customers ( $\beta$ =-.56, t=-9.544 and p=.000). However, the strength of this relationship was moderated by the quality of the discontinuation implementation process ( $\beta$ =-.175, t=2.573 and p=.011) to the extent that negative emotions experienced were not as strong when the quality was perceived to be high. These findings were consistent for both utilitarian and hedonic products. Counter intuitively, however, the negative emotions experienced due to product discontinuation and its associated switching costs only served to strengthen the consumers' purchase intention upon reintroduction ( $\beta$ =-.45, t=-7.149 p=.000).

Our findings suggest that negative emotions associated with discontinuation may eventually be overshadowed by the positive emotions evoked by the brand's reintroduction. This supports the

#### Latin America Advances in Consumer Research (Volume 4) / 119

view that brand attachment is a strong predictor of both current and future purchase intentions (Esch, Langner, Schmitt & Geus, 2006).

- Brown, S., Kozinets, R. V., & Sherry Jr., J. F. (2003). Teaching Old Brands New Tricks: Retro Branding and the Revival of Brand Meaning. *Journal of Marketing*, 67 (July), 19-33.
- Esch, F. R., Langner, T., Schmitt, B. H., & Geus, P. (2006). Are Brands Forever? How Brand Knowledge and Relationships Affect Current and Future Purchases. *Journal of Product and Brand Management*, 15, no. 2, 98-105.
- Forgas, J. F. (2003). *Handbook of Affect and Social Cognition*, New Jersey: Lawrence Erlbaum Associates.

- Frijda, N H., Kuipers, P., & Ter Schure, E. (1989). Relations among Emotion, Appraisal, and Emotional Action Readiness. *Journal* of Personality and Social Psychology, 57, no. 2, 212–28.
- Heide, J. B., & Weiss, A. M. (1995). Vendor Consideration and Switching Behavior for Buyers in High-Technology Markets. *Journal of Marketing*, 59, (July), 30-43.
- Homburg, C., Fürst A., & Prigge JK. (2010). A Customer Perspective on Product Eliminations: How the Removal of Products Affects Customers and Business Relationships. *Journal of the Academy of Marketing Science*, 38, no. 5, 531-549.
- Lowenstein, George (1987). Anticipation and the Valuation of Delayed Consumption. *Economic Journal*, 97, (September), 666-684.

# Impact of the Attractiveness of a Shopping Center in the Consumer Satisfaction: The Moderator Role of the Motivations and the Frequency of Visits

Ma Margarita Orozco-Gómez, Tecnológico de Monterrey, Mexico Eva M. González, Tecnológico de Monterrey, Mexico

Josep Rialp, Universidad Autónoma de Barcelona, Spain

# EXTENDED ABSTRACT

The continuous rise of shopping centers (SC) competition in Latin America has increased the pressure to attract new consumers, and to preserve actual customers. Previous marketing studies suggest that, in order to attract customers and obtain greater profitability, the SC must generate a fulfilling experience (LeHew, Burgess, and Wesley, 2002) and relevant differentiation (Kasulis and Lusch, 1981; Williams, Slama, and Rogers, 1985). The literature suggests that positive experiences generate satisfaction, and consumer satisfaction translates into loyal customers.

The purpose of this study is to analyze how SC attractiveness impacts consumers' satisfaction. In addition, it is important to know if this relationship can be moderated by other factors such as the frequency or the motivations that the consumers have to visit the SC. In order to achieve these objectives, we started with a deep review of the literature to define theoretical concepts such SC attractiveness (Orozco-Gómez, 2016), customer satisfaction in terms of SC (Burns and Neisner, 2006; Terblanche and Boshoff, 2006), as well as the motivations to visit (Babin, Darden, and Griffin, 1994; Bellenger, Robertson, and Greenberg, 1977; Patel and Sharma, 2009), and frequency of visit (Iksuk, Christiansen, Feinberg, and Choi, 2005; Kuruvilla and Ranjan, 2008; Roy, 1994).

Specifically, the hypotheses that were tested in this study are the following:

- *Hypothesis 1: The SC attractiveness has a positive impact on its consumers' satisfaction.*
- Hypothesis 2: The impact of the SC attractiveness on its consumers' satisfaction is higher in hedonic consumers than in utilitarian ones.
- Hypothesis 3: The impact of SC attractiveness on its consumers' satisfaction is higher in those consumers who have higher frequency of visits.

A national sample of 1,033 Mexican SC consumers participated in the study; an electronic questionnaire was distributed in January 2015. Data was processed using IBM SPSS Statistics and IBM SPSS Amos.

The hypotheses were supported by a multi-group structural equation model (Hair, Black, Babin, and Anderson, 2010). Reliability (Nunnally and Bernstein, 1994), convergent validity (Bagozzi and Yi, 2012; Fornell and Larcker, 1981), and tests on discriminant validity (Anderson and Gerbing, 1988), of the data were also conducted. Additionally, the fit of the measurements and structural models for attractiveness and satisfaction were evaluated using the following criteria: chi-square, normalized chi-square, GFI, IFC, NFI and RMSA. Finally, the invariability of the measurement model across customers groups was also tested, hedonic vs utilitarian and high vs low frequency of visits (Steenkamp and Baumgartner, 1998). (See Table1 for details)

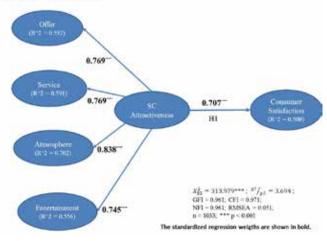
Table 1: Measurement invariance test.

72 - 242	motivation groups	

Visiting motivation groups.								
Model	Chi^2	d.f.	" Chi^2	" d.f	р	RMSEA	CFI	NFI
Single Group solution								
Hedonic shopping motivations (n=323)	138.537	85				0.044	0.981	0.952
Utilitarian shopping motivations (n=710)	273.089	85				0.056	0.963	0.948
Measurement invariance								
Equal form	411.642	170				0.037	0.970	0.950
Equal factor loadings	423.642	180	12.00	10	0.285	0.036	0.969	0.948
Visit frequency groups.								
Model	Chi^2	d.f.	" Chi^2	" d.f	р	RMSEA	CFI	NFI
Single Group solution								
Low frequency of visits (n=628)	261.736	85				0.058	0.963	0.947
High frequency of visits (n=405)	178.263	85				0.052	0.971	0.946
Measurement invariance								
Equal form	440.004	170				0.038	0.962	0.938
Equal factor loadings	456.203	180	16.20	10	0.094	0.037	0.961	0.936

The SC attractiveness dimensions are presented in Figure 1, where the results indicate positive and significant standardized factor loadings for all of them. Starting with atmosphere (0.838), followed by offer (0.769), service (0.769), and entertainment (0.745). Subsequently, H1 is supported, the SC attractiveness is positively related with consumer satisfaction (0.707\*\*\*).





The results of the multi-group structural model indicate that the difference between the structural model with equal factor loadings and the structural model of equal structural loadings are significant for both variables, motivations for visiting ( $\Delta X^2 = 35.00$ ,  $\Delta df = 4$ , p <0.001) and frequency of visits ( $\Delta X^2 = 12,513$ ,  $\Delta df = 4$ , p <0.05). Thus, SC attractiveness has a greater impact on hedonic consumer's satisfaction than utilitarian (t = 3,824, p <0.001), which supports H2. In the same way, results indicate that the impact of a SC attractiveness was higher for consumers who visit frequently SC than for those who visit it less frequently (t = -2.753, p <0.01). These results support H3. Table 2 presents the results of the multi-group structural model in detail.

Table 2. Multi-group structural equation model. Standardized Regression Weights.							
	Moderato	Moderator variable:					
	Shopping 1	Shopping motivations		Frequency of visits			
	Hedonic	Hedonic Utilitarian		High frequency			
Offer	0.802	0.758	0.771	0.760			
Service	0.809	0.741	0.761	0.769			
Atmosphere	0.866	0.818	0.843	0.828			
Entertainment	0.705	0.770	0.775	0.706			
Satisfaction	0.822	0.636	0.631	0.803			
	<i>Chi</i> ^2 = 423.642; <i>d</i>	<i>Chi</i> <sup>2</sup> = 456.203; <i>d.f.</i> = 180					
	$Chi^2/d.f. = 2.354;$	$Chi^{2/d.f.} = 2.534;$					
	<i>GFI</i> = 0.949; <i>CFI</i> = 0.969			FI = 0.965			
	NFI = 0.948; RMS	NFI = 0.944; $RMSEA = 0.039$					

Table 2 Multi group structural equation model Standardized Degression Weights

From academic and managerial perspectives, the relevance of this study lies in evaluating the overall impact of a SC attractiveness on consumers' satisfaction, and the moderating role of motivations for visit and frequency of visit.

Findings suggest that the consumer who visits more frequently a SC is less difficult to be satisfied with the SC, which in terms of SC strategy, implies a higher profitability of frequent customers. Likewise, a conclusion of this study is, that a SC should be at the same time practical enough to satisfy the utilitarian needs of its consumers, and also innovative and appealing to satisfy the needs of its hedonic consumers. Therefore, a customizable experience would help to increase the satisfaction of the different segments of SC consumers.

## REFERENCES

- Anderson, J. C., and Gerbing, D. W. (1988). Structural Equation Modeling in Practice: A Review and Recommended Two-Step Approach. Psychological Bulletin, 103(3), 411-423.
- Babin, B. J., Darden, W. R., and Griffin, M. (1994). Work and/ or Fun: Measuring Hedonic and Utilitarian Shopping Value. [Article]. Journal of Consumer Research, 20(4), 644-656.
- Bagozzi, R. P., and Yi, Y. (2012). Specification, Evaluation, and Interpretation of Structural Equation Models. [Article]. Journal of the Academy of Marketing Science, 40(1), 8-34.
- Bellenger, D. N., Robertson, D. H., and Greenberg, B. A. (1977). Shopping Center Patronage Motives. Journal of Retailing, 53(2), 29-38.
- Burns, D. J., and Neisner, L. (2006). Customer Satisfaction in a Retail Setting: The Contribution of Emotion. International Journal of Retail and Distribution Management, 34(1), 49-66.

#### Latin America Advances in Consumer Research (Volume 4) / 121

Fornell, C., and Larcker, D. f. (1981). Evaluating Structural Equation Models with Unobservable Variables and Measurement Error. Journal of Marketing, 18(1), 39-50.

- Hair, J. F., Black, W. C., Babin, B. J., and Anderson, R. E. (2010). Multivariate Data Analysis (7th Edition ed.): Prentice Hall.
- Iksuk, K., Christiansen, T., Feinberg, R., and Choi, H. (2005). Mall Entertainment and Shopping Behaviors: A Graphical Modeling Approach. [Article]. Advances in Consumer Research, 32(1), 487-492.
- Kasulis, J. J., and Lusch, R. F. (1981). Validating The Retail Store Image Concept. [Article]. Journal of the Academy of Marketing Science, 9(4), 419-435.
- Kuruvilla, S. J., and Ranjan, K. (2008). Gender and Mall Shopping: An Analysis of Patronage Patterns, Shopping Orientation And Consumption Of Fashion Of Indian Youth. [Article]. International Journal of Business Insights and Transformation, 1(2), 1-8.
- LeHew, A. M. L., Burgess, B., and Wesley, S. (2002). Expanding the Loyalty Concept to Include Preference for a Shopping Mall. International Review of Retail, Distribution and Consumer Research, 12(3), 225-236.
- Nunnally, J., and Bernstein, I. H. (1994). Psychometric Theory (3th ed.). New York: McGraw-Hill.
- Orozco-Gómez, M. M. (2016). Impacto de la Atractividad de un Centro Comercial en la Satisfacción y Lealtad de sus Consumidores (Vol. Tesis electrónica). Barcelona: Universidad Autónoma de Barcelona.
- Patel, V., and Sharma, M. (2009). Consumers' Motivations to Shop in Shopping Malls: A Study of Indian Shoppers. [Article]. Advances in Consumer Research - Asia-Pacific Conference Proceedings, 8, 285-290.
- Roy, A. (1994). Correlates of Mall Visit Frequency. [Article]. Journal of Retailing, 70(2), 139-161.
- Steenkamp, J.-B. E. M., and Baumgartner, H. (1998). Assesing Measuremente Invariance in Cross-National Consumer Research. Journal of Consumer Research, 25, 78-90.
- Terblanche, N. S., and Boshoff, C. (2006). The Relationship Between a Satisfactory In-store Shopping Experience and Retailer Loyalty. [Article]. South African Journal of Business Management, 37(2), 33-43.
- Williams, T., Slama, M., and Rogers, J. (1985). Behavioral Characteristics of the Recreational Shopper and Implications for Retail Management. [Article]. Journal of the Academy of Marketing Science, 13(3), 307-316.

# My Magic is Stronger than Yours: An Exploration of Competitive Spirituality in Brazilian Religions

Victoria Rodner, Fundação Getúlio Vargas, Brazil

Russell Belk, York University Schulich School of Business, Canada

Chloe Preece, University of London, UK

# **EXTENDED ABSTRACT**

This paper focuses on the use of magic and spirit possession in a highly competitive Brazilian religious landscape involving Neo-Pentecostal, Catholic Charismatic Renewal (CCR), Spiritist and Afro-Atlantic churches. Their competing magical appeals are part of a wider shift in belief systems away from traditional Catholicism toward pneumacentric religions (centered on the spirit and faith healing) and mysticism taking place across Latin America (Chestnut, 2003). Besides organized religion, the need for magic in modern lives is apparent in medicine. Recent clinical studies have shown the power of medical faith healing on physical recovery and wellness in general (Bragdon 2012; Vance 2016). Although previous studies have explained spiritual consumption as arising in the lower classes as a means to cope with the "pathogens of poverty" (Chestnut 1997, 48: Mariz 1992), it is clear that magical discourses and practices are spreading into the middle and upper classes of Latin American society, led by celebrities, footballers, and politicians who have converted (Mariano 2004). Our paper responds to calls for further research on the consumption of religion, particularly in emerging economies (Richelieu & Korai, 2012). Although there have been other consumer research studies of Pentecostal churches (e.g., Bonsu and Belk 2010; Crocket and Davies 2016; O'Guinn and Belk 1998), little attention has been given to the magical and spirit possession aspects of these churches, which we see as key to their popularity.

Religious organizations are not immune to market forces and must compete with one another to offer more compelling packages of services and ideologies to potential consumers (see Miller 2004: Einstein 2007; Hoover 2000; Moore 1994; Roof 1999; Twitchell 2005; Shachar, et al. 2011). Berger (1967; 1969) demonstrates that churches and their belief systems must now be 'marketed' as commodities rather than being imposed on the consuming public. Previously Catholicism had ruled the roost across Latin America including Brazil, enjoying a largely uncontested spiritual, political, and commercial monopoly for four centuries. Introduced by the Portuguese during colonization, Brazilian Catholicism enjoyed an unrivaled authority and remains "enmeshed with national culture and society" (Chestnut 1997, 70). However, one in three Brazilians today have converted from their former faiths (Almeida (2004; 2009) in search of a more spiritually satisfying, socially relevant, and up-to-date alternative. In the resulting highly competitive religious economy we show how magic has become instrumental in precipitating this shift to pneumatic (spirit-based) churches. We demonstrate how carefully packaged magical discourses and rituals help to differentiate one supernatural belief system from another by providing solutions for specific everyday problems.

Spiritual identity is of central significance in many people's lives, providing them with a set of beliefs, meanings, rituals, values, and community that helps them make sense of the world (Mathras et al., 2016). In the present cases spirit possession is also involved (Johnson 2014). The rapid growth of these pneumacentric religions needs unpacking and in order to do so we adopted an ethnographic approach consisting of observations, introspection and depth interviews. We found that these churches focus on two key practices -- materialization and commodification of the spirit -- in order to compete for legitimacy and power. Spirits and spiritual

forces lack materiality so they must inhabit people or possessions such as clothing in order to perform their magical roles. The churches commoditize these spirits through religious paraphernalia offered for specific purposes. Afro-Atlantic churches are distinguished from their Protestant and Catholic rivals in their use of mediums and drums to work their benign (or in some cases malicious) spirit magic, invoking the agency of spirits for specific ailments and needs. In Neo-Pentecostalism and CCR, by contrast, spirit possession is always seen as the work of the Devil and therefore as an evil to be driven out through exorcism (Bledsoe 2012; Lehmann 2001). Spiritism and Afro-Atlantic religions offer individual consultations so as to diagnose spiritual, emotional, and physical afflictions. In Neo-Pentecostal and CCR services, on the other hand, individual testimonies act as evidence of the efficacy of the faith healing on offer and individual as well as collective blessings and exorcisms are carried out in the services. Evincing the instrumentality of the magic, adherents of each of these faiths are expected to pay for the healing services rendered, either through offerings or tithes. In the Afro-Brazilian faiths, clients are expected to make animal sacrifices and offer monetary and other gifts to mediums. Without their offerings, the Neo-Pentecostal and CCR adherent remains unable to access the church's magic. The financial commitment demonstrates faith and the more you sow, the more you reap (Mulholland 2001).

The instrumentality of this magic therefore allows for more relevant, active, purpose-motivated, individual goals rather than the passive, intangible, collective, long-term goals of traditional Western religions. This is part of a more general shift from focusing on afterlife salvation to concentrating on the everyday problems of church-goers. It is also part of the appeal of these religions to the middle class. Spiritual healing provides a concrete benefit rather than offering general comfort from a higher power. Adherents are buying solutions to specific problems as a form of self-help for problems such as physical and mental illness, divorce and unemployment. When one belief system does not work, the consumer can switch to another 'package.' Brazilians are multifarious spiritual consumers, converting easily and often (Almeida 2004). Individualizing and commoditizing the magic provides an illusion of hope in a precarious political and economic environment. This includes money magic through the gospel of prosperity. Although the churches studied clearly compete, the Afro-Atlantic and Spiritist churches seek to empower believers who strive to be possessed by spirits, while the Neo-Pentecostal and CCR churches seek to heal by exorcizing these same spirits. One's meat is the other's poison. Magic is not only employed to achieve concrete, individual goals, but is also used to make the religious experience more participatory and co-created (Vargo & Lusch, 2004) rather than submitting to outside powers. As such, these religions are seen as more relevant in a contemporary consumer culture characterized by purchasable instant consumption solutions (Driessens, 2013).

- Almeida, Ronaldo (2004), "Religião na metrópole paulist." *Revista Brasileira de Ciencias Sociais*, 19 (56), 16-27.
- Almeida, Ronaldo (2009), A Igreja Universal e seus demônios: um estudo etnográfico. São Paulo: Editora Terceiro Nome.

#### Latin America Advances in Consumer Research (Volume 4) / 123

Berger, Peter L. (1967), "A sociological view of the secularization of theology," *Journal for the Scientific Study of Religion*, 6 (1), 3-16.

Berger, Peter L. (1969/1990), *The Sacred Canopy: Elements of a Sociological Theory of Religion*, New York: Anchor Books.

Bledsoe, David A. (2012), Movimento Neopentecostal Brasileiro – um estudo de caso, São Paulo: Hagnos.

Bonsu, Samuel K., and Russell W. Belk (2010), "Marketing a new African God: Pentecostalism and material salvation in Ghana", *International Journal of Nonprofit and Voluntary Sector Marketing*, 15, 305-323.

Bragdon, Emma (ed) (2011) Spiritism and Mental Health: Practices from Spiritist Centers and Spiritist Psychiatric Hospitals in Brazil, London: Singing Dragon.

Chestnut, R. Andrew (1997), Born Again in Brazil – The Pentecostal Boom and the Pathogens of Poverty, London: Rutgers University Press.

Chestnut, R. Andrew (2003), "Pragmatic Consumers and Practical Products: The Success of Pneumacentric Religion among Women in Latin America's New Religious Economy," *Review* of *Religious Research*, 45 (1), 20-31.

Crocket, David and Davis, Lenita (2016), "Commercial Mythmaking at the Holy Land Experience," *Consumption Markets & Culture*, 19 (2), 206-227.

Driessens, Oliver. (2013), "The celebritization of society and culture: Understanding the structural dynamics of celebrity culture," *International Journal of Cultural Studies*, 16 (6): 641-657.

Einstein, Mara (2007), Brands of Faith: Marketing Religion in a Commercial Age, New York: Routledge.

Hoover, Stewart (2000), "The Cross at Willow Creek: Seeker Religion and the Contemporary Marketplace," In Bruce Ford and Jeffrey Mahan, ed., *Religion and Popular Culture in America*, Berkeley, CA: University of California Press, 145-159.

Johnson, Paul C. (2014), Spirited Things – The Work of "Possesion" in Afro-Atlantic Religions. University of Chicago Press: Chicago. Lehmann, David (2001), "Charisma and possession in Africa and Brazil," *Theory Culture and Society*, 18 (5), 45-74.

Mariano, Ricardo (2004), Expansão Pentecostal no Brasil: o caso da Igraja Universal, *Estudos Avançados*, 18 (52), 121-138.

Mariz, Cecilia (1992), "Religion and Poverty in Brazil: A Comparison of Catholic and Pentecostal Communities," Sociological Analysis, 53 (S), 563-570.

Mathras, Daniele, Adam B. Cohen, Naomi Mandel, David G. Mick (2016), "The effects of religion on consumer behavior: A conceptual framework and research agenda," *Journal of Consumer Psychology*, 26 (2), 298-311.

Miller, Vincent (2004), Consuming Religion: Christian Faith and Practice in a Consumer Culture, New York: Continuum.

Moore, R. Laurence (1994), Selling God: American Religion in the Marketplace of Culture, Oxford: Oxford University Press.

Mulholland, James (2001), *Praying Like Jesus: The Lord's Prayer in a Culture of Prosperity*, San Francisco, CA: Harper.

O'Guinn, Thomas C. and Russell W. Belk (1989), "Heaven on Earth: Consumption at Heritage Village, USA," *Journal of Consumer Research*, 16 (2), 227-238.

Richelieu, Andre & Bernard Korai (2012), "The international expansion of religious organizations in Africa," *International Journal of Nonprofit and Voluntary Sector Marketing*, 17, 144-155.

Roof, Wade (1999), Spiritual Marketplace: Baby Boomers and the Remaking of American Religion, Princeton, NJ: Princeton University Press.

Shachar, Ron, Tolin Erdem, Keisha Cutright, and Gavan Fitzsimons (2011), "Brands: The Opiate of the Nonreligious Masses?," *Marketing Science*, 30 (1), 92-108.

Twitchell, James B. (2005). Branded Nation: The Marketing of Megachurch, College Inc., and Museumworld, New York: Simon & Schuster.

Vance Erik (2016), "The Healing Power of Faith," *National Geographic*, (December), 30-55.

Vargo, Stephen L. and Lusch, Robert F. (2004), "Evolving to a New Dominant Logic for Marketing," *The Journal of Marketing*, 68 (1), 1-17.

# The Power of the Click: A Consumer-centric Approach using Online Journey Mapping to Develop Consumer Personas and Predict Future Clicks

Peter Voyer, University of Windsor, Canada Dave Bussiere, University of Windsor, Canada Gokul Bhandari, University of Windsor, Canada

# INTRODUCTION

Clicks are more than just computer actions – they can tell entire stories about consumers and their personalities. As consumers click through various websites, their navigation patterns are captured to form clickstreams. When these clickstreams are analyzed to measure webpage click locations and times, online consumer journey maps are formed. In this research, we apply sophisticated statistical analyses to thousands of these maps, whereby several key clusters emerge. Each cluster describes a typical consumer type – a persona – in terms of related online purchases, how/where they search for information, duration of pre-purchase activities, etc. Importantly, based on our clickstream analyses and using mathematical modeling, our research shows how we can predict future click locations.

Too many firms neglect focused CB analyses in their consumerrelated decision-making. Paradoxically, while 88% of companies recognize the benefits of consumer-centrism, only 37% believe that they have the online tools needed to deliver the desired consumer experience (Silverpop 2015). The need to mine consumer insights from big data was recognized by 57.9% of US marketers as a top priority (eMarketer 2015). To assist industry, consumer researchers need to focus on: (1) enhancing detailed "understanding" of online CB; and (2) determining how to improve online consumer experience (Wedel and Kannan 2016). Recognizing that the latter depends on the former, our research enriches understanding of the online consumer by employing important, yet under-researched topics: consumer journeys, and consumer personas.

In order to enhance understanding of consumers, can we predict future clicks by using journey maps (clickstreams), and can clickstreams be used to construct consumer personas? Using the individual consumer as the unit of analysis, we address these research questions by employing big data from a major vacation travel provider accessed through the Wharton Customer Analytics Initiative. In so doing, we support the ACR's Mission to "facilitate the exchange of scholarly information among members of academia, industry, and government worldwide." Here, we link, conceptually, the domain of data-rich marketing with consumer-focused, big data analysis – our emphasis in this research, which is recognized as being in need of research attention (Wedel and Kannan 2016).

Consumers are met with a vast amount of online travel information as they engage in their purchase decision process (Jordan et al. 2013); 65% of American adults buy or make travel reservations online (Pew 2014). Lacking sufficient knowledge of online CB, destination marketing organisations are facing challenges in providing useful information to consumers, resulting in ineffective information management (Choi et al. 2007), and compromised consumer experience (Lemon and Verhoef 2016). To help, CB researchers must understand the online consumer (Belk 2013).

The consumer research literature is somewhat limited in detailed understanding of online CB. Recognizing this, more empirical attention is needed in order to gain insights as to how online consumer journey mapping can be leveraged to predict online behavior (captured by clicks), as well as to construct consumer personas. These areas have recently emerged as "some of the hottest trends in marketing" (Silverpop 2015, 2). Further, analysis of big data to enhance consumer experience has been identified as a

pressing research priority in marketing (Ostrom et al. 2015; Lemon and Verhoef 2016). The present research represents an initial attempt to use big data consumers' clickstreams to build personas resulting in insights into their personalities, which in turn, can enhance consumer knowledge and predict clicks.

In addressing the above research questions, this research is positioned within the CB literature on personality, specifically, the motivational research stream. Key contributions are made: understanding of online CB is enhanced; we develop consumer personas from clickstreams; we predict online behavior (clicks); and the enhanced understandings and personas can be leveraged to enhance the online consumer experience. Adopting a multidisciplinary perspective, this research is informed by literatures from management science, CB, marketing, and psychology.

# THEORETICAL FOUNDATIONS AND RESEARCH HYPOTHESES

## **Research Setting**

Considering the traditional five-stage consumer decision making model, our analysis concentrates on three fundamental stages: (1) information search; (2) alternative evaluation; and (3) purchase decision (Javadi et al. 2012; Solomon et al. 2017). We use data from an online vacation travel site in our analysis since vacation decision making is complex and often subject to budgetary constraints, as well as prior travel experience (Walsh and Gwinner 2007). Consumers' journey maps developed through the analysis of clickstreams have the potential to yield consumer behavioral insights.

#### Journey Maps – Relevance to CB

Understanding consumer journeys (clickstreams) can facilitate a consumer-centric approach to marketing. The sequence of clicks that a consumer undertakes while formulating purchase alternatives ultimately forms an online consumer journey map, which captures multiple touchpoints with the firm, channels, and devices. Together, this data encompasses the multitude of steps that a consumer goes through leading to purchase (Norton and Pine 2013; Lemon and Verhoef 2016). A consumer searches for information by visiting various web pages and sites. In so doing she expands her knowledgebase, resulting in the formation of an evoked/consideration set - the suite of alternatives from which the ultimate purchase will be made. Once alternatives have been evaluated, purchase (conversion) is potentially completed. This online CB is influenced by numerous internal and external factors such as the consumer's information processing ability (Beldona et al. 2004), as well as her past related experience and knowledge, intelligence, education, and marketing message complexity (Jaworski and MacInnis 1989).

# Personas – Definition, Theoretical Basis and Relevance to CB

Consumer personas are examples or archetypes of real consumers, which enable marketers to develop marketing strategies for products aimed at the consumers who might purchase these products (Revella 2015); they serve as models of consumers (Blomquist and Arvola 2002). Observed during research, personas are specific descriptions that are archetypical representations of current or potential consumers, and typically include consumption patterns, motivations, goals, and likes/dislikes (Calde et al. 2002; Thoma and Williams 2009). Theoretically, personas are grounded in the motivational research stream of personality theory. Motivational research has attempted to apply Freudian ideas of personality, including psychoanalytic theory, to CB. This has included a focus on the deeper meaning of products-motive links (Dichter 1964). Relatively little dedicated scholarly CB research has been devoted to consumer personas as they relate to marketing applications, thus, reinforcing the importance of the current research in marketing and e-commerce.

## **Developing Personas Using Big Data in e-Commerce**

Appropriately constructed and applied, consumer personas can be powerful tools since they are built around consumers' purchase decisions and reveal insights into their expectations, concerns, and desires (Revella 2015). Building personas complements other CB research methods, and as Brangier and Bornet (2011) note: "there is no scientific method behind the construction of personas" (p. 40). Initially, developing consumer personas requires gathering both qualitative and quantitative data, related to consumer needs, behaviors, and preferences (Thoma and Williams 2009). This macro level, preliminary step, resulting in broad persona themes, is designed to attain a general understanding of consumers. Subsequently, these persona themes are then developed in greater detail to better understand target consumers through comprehensive descriptions (Thoma and Williams 2009). Hence, we hypothesize:

Hypothesis 1: Macro level data [demographic and lifestyle, coupled with online journey mapping (clickstream locations and times)] will facilitate development of broad consumer persona themes.

As Walsh and Gwinner (2007) note, micro level, consumeroriented, cluster analysis (as a statistical technique) has been used to better understand online CB. In fact, Rohm and Swaminathan (2004) identified four distinct online shopping personality clusters, and found that travel purchase activity varied across each of these clusters. This matching of clusters and personas is consistent with prior research suggesting that cluster analysis techniques are ideal for persona analysis and development because they identify and distinguish behavioral patterns (Thoma and Williams 2009). Thoma and Williams (2009) also posit that clickstream analysis is a suitable way to understand and validate persona themes. Hence, we hypothesize:

Hypothesis 2: Individual level online journey mapping (clickstreams that capture locations, times, return visits, and purchase decisions) will uncover broad behavioral clusters, which when combined with lifestyle data, will facilitate development of consumer personas.

#### **Prediction and Validation of Personas**

Prediction is critical. The persona, by virtue of its very nature, is intended to convey predictive CB to marketers (Brangier and Bornet 2011). Behavioral prediction has received considerable CB research attention. Past behavior is a good predictor of future behavior (Bentler and Speckart 1981). Knowing that online behavior is captured by clickstream information, it is reasonable to believe that future online behavior – future clicks – should be predicted

#### Latin America Advances in Consumer Research (Volume 4) / 125

by known journey maps (clickstreams) – past clicks. Knowledge of future clickstream behavior could be used to inform persona construction by providing a critical knowledge of potential future online behavior. Therefore, we hypothesize:

*Hypothesis 3: Journey mapping will facilitate prediction of future clicks (clickstream behavior).* 

#### **RESEARCH DESIGN, METHOD, AND RESULTS**

Three studies were used to assess the hypotheses. Studies 1 and 2 sought to determine if online journey mapping (macro- and individual-level) could be used to develop consumer personas. Extending these ideas, Study 3 attempted to predict future clickstream behavior based on known prior clickstreams.

#### Study 1 - Hitwise Study: Macro-level Analysis

#### Aim, Data and Measures

Our aim in Study 1 was to assess H1. We examined journey maps (clickstreams) using Experian Hitwise data, which tracks daily web traffic for 10 million Americans. Our sample consisted of data for a particular all-inclusive vacation website spanning December 2014 to January 2015 (Daily  $M_{visits} = 3217.9$ ,  $SD_{visits} = 691.6$ ), including clickstream and lifestyle information [ $M_{age} > 45$ , F = 44%, annual individual income > \$60,000 (58.5% of cases)].

#### Analysis and Findings

Consumers were analyzed using the PRIZM (Potential Rating Index for ZIP Markets) geodemographic clustering system – aggregate data developed by combining US Census data with consumer surveys. PRIZM provides 40 mutually exclusive lifestyle clusters for all 36,000 US SIP codes (for details see Burrows and Gane 2006). Upper Income Family and Mature individuals were extremely active in our focal website activity (55.79% of visits), though High Income Young Families were also active (17.48%). Our focal website visits were dominated by high earning Suburban and Town & Rural individuals (58.0%). The Urban Social group had relatively low website activity (11.96% of all traffic, across all income levels).

The top 20 websites (by traffic volume) that were visited immediately prior to our focal vacation website represented 71.86% of (our focal website) visitors, where (of this portion) 65.68% visited non-vacation-specific websites (e.g. Google). Other between-site movement focused exclusively on vacation websites. The top 20 websites visited immediately following our focal website represented 51.56% of downstream traffic, where 69.72% (of this portion) moved to non-travel sites.

#### **Conclusions**

This macro-level analysis supports H1. Journey mapping, combined with lifestyle data, provides general consumer persona insight (broad persona themes). This macro-level of data, however, prevents us from understanding the relationship between clickstream data and available lifestyle or demographic data. Study 2 will address this limitation.

#### Study 2 - Consumer Personas: Individual-level Analysis

#### Aim, Data and Measures

Our aim in Study 2 was to assess H2. Data from two major sources were used: an online all-inclusive vacation provider; and a financial (credit card) company. All data was accessed through the Wharton Customer Analytics Initiative. These data included 2305 individual consumers' journey maps (each with a minimum of 10

#### 126/The Power of the Click: A Consumer-centric Approach using Online Journey Mapping to Develop Consumer Personas and Predict Future Clicks

clicks) that resulted in vacation purchase. The clickstreams captured the type of page visited (information-oriented or alternative/packageoriented) and the times between each click.

#### Analysis and Results

VACATION TRAVEL EXPERIENCE

Clusters were developed using two variables: type of activity in the clicks prior to purchase (information seeking vs. alternative evaluation), and the total time between the clicks. A two-stage cluster analysis was employed since the dataset was large, and we used both categorical (activity) and continuous (time) variables (Dolnicar and Leisch 2008). A four-click history with a five-cluster structure provided the strongest result (S(i) = .90) and will be described next.

The analysis showed that four clusters were particularly meaningful and clickstream activity occurred within a single day. Two clusters were highly transactional – consumers actively evaluated vacation alternatives (as measured by % of total clicks devoted to vacation alternative pages vs. informational pages): Cluster A (28.1% of sample, 100% of clicks), and Cluster B (32.1% of sample, 75% of clicks). Two other clusters were less inclined to evaluate alternatives, and instead, were focused on vacation information seeking (% of clicks devoted to information yielding pages): Cluster C (25.2% of sample, 50% of clicks), and Cluster D (10.5% of the sample, 25% of clicks). Vacation information includes (for example): destination attributes, accommodation, related tourist sites, etc. A final, small cluster (0.04% of the sample) consisted of 97 consumers whose clickstream occurred over a 12 day

period. This cluster displayed outlier behavior and was discarded. From the foregoing, a persona space was developed (see figure 1). Additional cluster differences coupled with lifestyle data from the financial company, were then integrated into the clusters to enhance their explanatory power with behavioral descriptions. Results yield consumer personas and are described in figure 1.

#### Conclusions

H2 was supported. The analyses identified statistically significant clusters, each representing a consumer persona. This supports the use of online big data as a means of analyzing consumer journey maps (clickstreams) and in turn, developing consumer personas.

#### Note on Cluster Analysis – Study 2:

A two-stage cluster analyses was run on two to eight click histories. The silhouette statistic, S(i), is a measure of the distance within a cluster as a function of distances between clusters. Specifically:  $S(i) = [b(i) - a(i)]/\max\{a(i), b(i)\}$  where a(i) is the average dissimilarity of objects *i* within the cluster, b(i) is the average dissimilarity between objects *i* and other clusters, and -1 < S(i) < 1. As values of S(i) approach 1, the within cluster dissimilarity is very small in comparison to the between cluster dissimilarity (Rousseeuw 1987). Using the silhouette criterion of cluster quality, a four-click history with a five-cluster structure provided the strongest result (S(i)= .90).

Figure 1. The Behavioral Persona Space &	<b>c</b> Descriptions of Travel Purchasers (Study 2)
--	--

<ul> <li>Cluster A: Luxury Vacationer Profile: <ul> <li>Tend to spend time and money on specific purchases (e.g., fine dining, organic grocery items, coffee, car rentals, and shopping at megastores.</li> <li>High-end purchasers who enjoy luxury travel.</li> <li>Experienced travelers, less price-sensitive than other clusters.</li> <li>Avoid store loyalty cards, furniture shopping, home construction projects, and going out to movies.</li> <li>Concerned with transactional vacation attributes such as, dates, timings, room availability, price, etc. (like Cluster B).</li> <li>(28.1% of sample, 100% of clicks)</li> </ul></li></ul>	<ul> <li>Cluster B: Cost-efficient Vacationer <u>Profile</u>:</li> <li>Tend to frequent casinos and economy hotels, purchase cruise vacations and appliances, and shop at megastores.</li> <li>Frequent economy travelers who are likely more price- sensitive than other clusters.</li> <li>Experienced travelers, concerned with transactional vacation attributes such as, dates, timings, room availability, price, etc (like Cluster A).</li> <li>(32.1% of sample, 75% of clicks)</li> </ul>
<ul> <li>Experienced Vacationers – Alternative evaluation is the dominant personas. Extensive experience allows these consumers to rapidly</li> <li>Cluster D: Business Traveller's Escape         Profile:         <ul> <li>Tend to use loyalty cards, go out to movies, eat at mid-range and non-fast-food restaurants, often buy home furnishings, lead uneventful lives centered at home, and frequently visit</li> </ul> </li> </ul>	y progress to this stage.  Cluster C: Family Vacationer  Profile:  Tend to spend more time at home, spend disposable income on home TV/video services, home construction projects, and mid-range and non-fast-food restaurants – vs. other clusters.
<ul> <li>casinos.</li> <li>Unique consumers – engage in frequent international business travel.</li> <li>Avoid: domestic train travel, spending large amounts of money; fine dining restaurants; and coffee shops.</li> <li>Vacation travel is an irregular and regarded as a special event.</li> </ul>	<ul> <li>Avoid: fine dining, international air travel, casinos, and organi grocery stores and megastores.</li> <li>Vacation travel is infrequent and treated as a special occurrence.</li> <li>(25.2% of sample, 50% of clicks)</li> </ul>
(10.5% of the sample, 25% of clicks) Infrequent Vacationers – Information seeking is the dominant star	ge requiring much time, and dedicated effort. Careful assessment
of potential benefits, and detailed evaluation of alternatives is semi consumers, the process of information seeking constitutes a key be	inal in the purchase decision process. Importantly, for these
consumers, the process of information seeking constitutes a key be	enefit of a vacation; planning is seen as part of the vacation fu

# Study 3 – Consumer Personas – Predicting Clickstream Behavior

#### Aim

To assess H3, a two-stage mathematical modeling process was developed: (1) we focused on consumer cognitive dimensions using Markov chain analyses; and (2) we focused on consumer behavioral aspects using Association analyses as a basis for developing our model.

#### Data and Rationale

Our sample, provided through the Wharton Customer Analytics Initiative, contained 48,170 consumer journey maps; a total of 346,297 clicks [(17,389 mobile (5%) and 328,908 non-mobile (95%)], suggesting a preference for non-mobile devices. Journey maps (clickstreams from decision making processes) possess cognitive, behavioral, and affective dimensions (Bhandari and Hassanein 2012); here we consider the first two dimensions. In typical clickstream analysis, each click is construed as an exclusive event, unrelated to the immediately preceding, and subsequent, click. In contrast, here we posit that clicks are related, and that they can be construed as possessing human-like "memory." Using this "memory," we suggest that it should be possible to predict the next, subsequent, click. We can understand and model consumers' bipartite dimensions via various analytical techniques described herein.

#### Analysis I – Cognitive Focus

Initially we focus on predictive modeling emphasizing consumers' cognitive dimensions using Markov chain analysis. Journeys, manifest as clickstreams, can be modelled as a Markov process (Xu et al. 2014). A Markov chain of order k is a process ( $Ui)_i^\infty$  such that for each  $t \ge k$  and  $v_{k+1}, \ldots, v_1$ , it holds that  $\Pr[X_{k+1} = v_{k+1} | X_k = v_k, \ldots, X_1 = v_1] = \Pr[X_{t+1} = v_{k+1} | X_t = v_k, \ldots, X_{t-k+1} = v_1]$  (Chierichetti et al. 2012). This model enables us to understand the cognitive dimension; we can determine if clicks have "memories." A zero order Markov process is "memoryless," whereas a first order process retains a "memory" from one state earlier (the previous click); a higher order can be interpreted similarly. We analyzed the clickstreams from the order of zero to five. Model goodness of fit was based on Log Likelihood (highest), AIC (Akaike's Information Criterion – lowest), and BIC (Bayesian Information Criterion – lowest), suggesting the first order Markov process as the best model.

#### Findings

The top five predicted probabilities ranged from .5 to .98 when a click point is known; with these probabilities the subsequent click can be predicted. This indicates that clicking is relatively short-term (in terms of memory); consumers are guided by the immediate past. This suggests that the loss of information due to a broken chain of cookies may not be as severe as one might expect – what matters is the immediate past only. Clicks have "memories."

#### Analysis II – Behavioral Focus using Association analysis

Above we considered click temporal order. Here, we use a non-temporal approach; an aggregation of clicks. Marketers use association rules for "shopping basket" analysis when researching multi-category purchases (Manchanda et al. 1999). Mathematical analytical procedures are at the Addendum – figure 1.

#### Conclusions

No meaningful Association rules existed for clickstream data. Implications of this finding are similar to the above Markov analysis and thus, validates it. Consumers are goal-oriented and they are not necessarily constrained by their chain of clicks. Findings suggest support for H3. Our contribution to the motivational research literature stream within the theoretical domain of personality is reinforced.

Major analytical findings are summarized in table 1.

# Description of Mathematical Analysis for Analysis II – Study 3

First, we converted clickstreams into transactions. Then we ran the apriori algorithm to compute the support and confidence of the derived association rules. A brief mathematical definition of these terms (based on Tan et al. 2006) follows: let  $C = \{c_{p}, c_{p}, \dots, c_{d}\}$  be the set of all clicks in the clickstream, and let  $S = \{s_p, s_2, ..., s_N\}$  be the set of all clickstreams. Each stream s, contains a subset of clicks chosen from C. The stream length is defined as the number of clicks present in a stream. A stream  $s_i$  is said to contain a click set X if X is a subset of  $s_i$ . Support count refers to the number of streams that contain a particular click set. Mathematically, the support count,  $\sigma(X)$ , for a click set X can be defined as,  $\sigma(X) = |\{c_i \mid X \subseteq c_i, c_i \in S\}$ } where the symbol . denotes the number of elements in a set. The Association rule is the implementation of  $X \rightarrow Y$  where, X and Y are disjoint click sets, i.e.,  $X \cap Y = \Phi$ . The strength of an association rule is measured in terms of its support and confidence which are defined as: Support,  $s(X \rightarrow Y) = \sigma(X \cup Y)/N$ ; and Confidence,  $c(X \rightarrow Y)$  $= \sigma(X \cup Y)/\sigma(X)$ . We set out to extract the Association rules using standard values for Support and Confidence such as, 30% and 80% respectively. No such rules could be found with these values. Consequently, we lowered these values until an Association rule could be found.

*Outcome*. Since the observed values of Support and Confidence were so low, no meaningful Association rules existed for clickstream data. This is similar to Analysis I (Markov) analysis and validates it.

# GENERAL DISCUSSION, IMPLICATIONS AND LIMITATIONS

Much consumer information is captured by their clicks (web locations, times, touchpoints, etc.). Leveraging the hidden potential richness of big data, our research has shown that consumer journey maps, captured by clickstreams, can be harvested and analyzed to yield personas, resulting in robust insights into consumers' personalities. Further, attesting to the veiled power of clickstreams, we have unlocked the predictive capability of clickstreams by showing that clicks can be thought of as possessing "memory," and knowing this memory, future clicks can be predicted. Therefore, we can forecast future points in consumers' online journeys, which is especially important for marketers since online shopping mainly occurs as self-directed search prior to purchase.

By predicting clicks, practitioners would be able to tap into the self-directed nature of online shopping and introduce marketing efforts to influence the consumer in a desired direction. Applied to clickstreams, our Markov chain analyses, showed that we can bridge the gap between technology/touchpoints/clicks and the consumer experience by potentially crafting specific and tailored messages to particular consumers. By providing sage, dedicated, information to the consumer during the journey process, practitioners can enhance the likelihood of purchase. This was confirmed by managers from the company that provided the data for our research, as they believe that they could use this knowledge to enhance their consumers' online experience. Using big data isn't a panacea. Depending on the state of data warehousing, mining from big datasets can be extremely effortful and time-consuming. Thus, as mentioned, it is important to develop automated means of tapping into big datasets. Notwithstanding, we suggest that our methodology can be extended to a variety of online contexts where clicks can be tracked.

Hypotheses	Data Source and Details	Method of Analysis	Main Results
H1: Macro level data [demographic and lifestyle, coupled with online journey mapping (clickstream locations and times)] will facilitate development of broad consumer persona themes.	<b>Source:</b> Experian/Hitwise: December 2014 to January 2015 <b>Details:</b> (Daily $M_{visits} = 3217.9$ , $SD_{visits} = 691.6$ ), including clickstream and lifestyle information $[M_{age} > 45, F = 44\%, annual individual income > $60,000 (58.5% of cases)].$	Between Group Analysis	H1 was supported. Journey mapping, coupled with lifestyle data, can facilitate insight into consumer personas. This macro-level of data, however, prevents us from understanding the relationship between clickstream data and available lifestyle or demographic data.
H2: Individual level online journey mapping (clickstreams that capture locations, times, return visits, and purchase decisions) will uncover broad behavioral clusters, which when combined with lifestyle data, will facilitate development of consumer personas.	Source: Data from a major vacation provider was accessed through the Wharton Customer Analytics Initiative: December 2014 to January 2015 Details: 2305 individual consumers' journey maps (clickstreams each with a minimum of 10 clicks) spanning two months, which resulted in purchase. The clickstreams captured: type of page visited (information-oriented, option/package- oriented, etc.); time between clicks; and conversion.	Cluster Analysis	H2 was supported. Through cluster analysis, four consumer personas were developed. Cross-tabulating those clusters with purchasing data provided meaningful personas.
<b>H3:</b> Journey mapping will facilitate prediction of future clicks (clickstream behavior)	Source: Data from a major vacation provider was accessed through the Wharton Customer Analytics Initiative: December 2014 to January 2015 Details: 48,170 consumers' journey maps; a total of 346,297 clicks [17,389 mobile (5%) and 328,908 non-mobile (95%)]	Markov Chain Analysis	H3 was supported. Consumers are goal-oriented and they are not necessarily constrained by their chain of clicks. Our contribution to the motivational research literature stream within the theoretical domain of personality is reinforced.

#### Table 1. Summary of Major Analytical Findings

From a scholarly perspective, our research has contributed to the CB literature on personality (the motivational research stream), by showing how clicks can be analyzed. We have demonstrated that big data clickstream analysis is a viable area of research in CB, whereby insights could accrue to the CB researcher that ordinarily would not be attainable solely through other techniques such as observation, survey, or experimentation. Thus, our research has enriched the CB discipline, as it has for marketing. Big data was recently cited in the *Journal of Marketing* as an important avenue for future research since we need to better understand how big data can be used to personalize content, give real time consumer insights, and enhance experience (Wedel and Kannan 2016). Our research has responded to this research need.

#### Limitations

Rational choice has been assumed to prevail. We did not consider affective aspects of CB, nor the influence of possible ad exposure. This research was conducted in a travel setting that included consumers from around the world. However, the nature of the dataset did not allow for geographic-specific analyses. Also, because the dataset provider standardized all times to EST, time-ofday influences could not be measured.

- Bhandari, Gokul, and Khaled Hassanein (2012), "An Agent-Based Debiasing Framework for Investment Decision-Support Systems," *Behaviour & Information Technology*, 31 (5), 495-507.
- Beldona, Sri, and Mahesh S. Raisinghani (2004), "Exchanges in the Digital Economy: The Case of StorebrandXchange.com, Research Note," *Journal of Information Technology Case and Application Research*, 6 (1), 23.
- Belk, Russell W. (2013), "Extended Self in a Digital World," Journal of Consumer Research, 40 (3), 477-500.
- Bentler, Peter M., and George Speckart (9081), "Attitudes Cause Behaviors: A Structural Equation Analysis," *Journal of Personality and Social Psychology*, 40 (2), 226-238.
- Blomquist, Åsa, and Mattias Arvola (2002), "Personas in Action: Ethnography in an Interaction Design Team," in *Proceedings* of the Second Nordic Conference on Human-computer Interaction, 197-200.
- Brangier, Eric, and Corinne Bornet (2011), "Persona: A Method to Produce Representations Focused on Consumers' Needs," in *Human Factors and Ergonomics in Consumer Product Design: Methods and Techniques*, eds. Karwowski Valdemar, Marcelo M. Soares, and Neville A. Stanton, New York: Taylor and Francis, 37-61.

#### Latin America Advances in Consumer Research (Volume 4) / 129

Burrows, Roger, and Nicholas Gane (2006), "Geodemographics, Software and Class," *Sociology*, 40 (5), 793-812.

Calde, Steve, Kim Goodwin, and Robert Reimann (2002), "SHS Orcas: The First Integrated Information System for Long-Term Healthcare Facility Management," *Case Studies of the CHI2002*, 2-16.

Choi, Soojin, Xinran Y. Lehto, and Joseph T. O'Leary (2007),
"What does the Consumer Want from a DMO Website? A Study of US and Canadian Tourists' Perspectives," *International Journal of Tourism Research*, 9 (2), 59-72.

Dichter, Ernest (1964), Handbook of Consumer Motivations: The Psychology of the World of Objects, New York: McGraw-Hill Inc.

Dolnicar, Sara, and Friedrich Leisch (2008), "An Investigation of Tourists' Patterns of Obligation to Protect the Environment," *Journal of Travel Research*, 46 (4), 381-391.

eMarketer (2015), December Marketing Automation Roundup.

Hoffman, Donna L., and Thomas P. Novak (1996), "Marketing in Hypermedia Computer-mediated Environments: Conceptual Foundations," *Journal of Marketing*, 60 (3), 50-68.

Javadi, Mohammad Hossein Moshref, Hossein Rezaei Dolatabadi, Mojtaba Nourbakhsh, Amir Poursaeedi, and Ahmad Reza Asadollahi (2012), "An Analysis of Factors Affecting on Online Shopping Behavior of Consumers," *International Journal of Marketing Studies*, 4 (5), 81.

Jaworski, Bernard J., and Deborah J. MacInnis (1989), "Marketing Jobs and Management Controls: Toward a Framework," *Journal of Marketing Research*, 406-419.

Jordan, Evan J., William C. Norman, and Christine A. Vogt (2013), "A Cross-Cultural Comparison of Online Travel Information Search Behaviors," *Tourism Management Perspectives*, 6, 15-22.

Lemon, Katherine N., and Peter C. Verhoef (2016), "Understanding Customer Experience Throughout the Customer Journey," *Journal of Marketing*, 80 (6), 69-96.

Manchanda, Puneet, Asim Ansari, and Sunil Gupta (1999), "The "Shopping Basket": A Model for Multicategory Purchase Incidence Decisions," *Marketing Science*, 18 (2), 95-114.

Norton, David W., and B. Joseph Pine (2013), "Using the Customer Journey to Road Test and Refine the Business Model," *Strategy & Leadership*, 41 (2), 12-17. Ostrom, Amy L., Anantharanthan Parasuraman, David E. Bowen, Lia Patrício, and Christopher A. Voss (2015), "Service Research Priorities in a Rapidly Changing Context," *Journal* of Service Research, 18 (2), 127-159.

Pew Internet & American Life Project (2011), "What Internet Users Do Online." Retrieved December 30, 2011, from http:// pewinternet.org/Trend-Data/Online-Activites-Total.aspx.

Revella, Adelle (2015), Buyer Personas: How to Gain Insight into Your Customer's Expectations, Align Your Marketing Strategies, and Win More Business, Hoboken New Jersey: John Wiley & Sons.

Rohm, Andrew J., and Vanitha Swaminathan (2004), "A Typology of Online Shoppers on Shopping Motivations," *Journal of Business Research*, 57 (7), 748-757.

Rousseeuw, Peter J. (1987), "A Graphical Aid to the Interpretation and Validation of Cluster Analysis," *Journal of Computational and Applied Mathematics*, (20), 53-65.

Silverpop (2015), "Customer Journey Maps and Buyer Personas: The Modern Tool Kit for Marketing," *IBM Marketing Cloud*.

Solomon, Michael R., Katherine White, and Darren Dahl (2017), Consumer Behavior: Buying, Having and Holding, 7<sup>th</sup> ed., Toronto: Pearson.

Tan, Pang-Ning, Michael Steinbach, and Vipin Kumar (2006), *Introduction to Data Mining*, Boston: Pearson Addison Wesley.

Thoma, Volker, and Bryn Williams (2009), "Developing and Validating Personas in e-Commerce: A Heuristic Approach," *Human-Computer Interaction–INTERACT 2009*, 524-527.

Walsh, Gianfranco, and Kevin P. Gwinner (2007), "Purchasing Vacation Packages Through Shop-at-Home Television Programs: An Analysis of Consumers' Consumption Motives," *Journal of Vacation Marketing*, 15 (2), 111-128.

Wedel, Michel, and P. K. Kannan (2016), "Marketing Analytics for Data-Rich Environments," *Journal of Marketing*, 80 (6), 97-121.

Xu, Lizhen, Jason A. Duan, and Andrew Whinston (2014), "Path to Purchase: A Mutually Exciting Point Process Model for Online Advertising and Conversion," *Management Science*, 60 (6), 1392-1412.

### Can Guilt be Repaired by Consumption? An Experimental Analysis of Brazilian Mothers

Suzana Valente Battistella-Lima, EAESP-FGV, Brazil Delane Botelho, EAESP-FGV, Brazil

#### EXTENDED ABSTRACT

In this research we propose that consumption to benefit children can become a mechanism to mitigate mother's guilt due to feeling of being absent from the child's life. To alleviate feelings of guilt, the individual can adopt behaviors to repair the damage caused by the transgression (Sukhdial & Boush, 2004). In the case of the mother who feels guilty, she may adopt behaviors to repair the damage she believes she has caused to her children. We hypothesize that allowing the child to influence consumer decisions is a way to grant the child a moment of fulfillment and, therefore, repair the guilt experienced. Hence, our first hypothesis is:

Hypothesis 1: Guilt experienced by the mother (GEM) (due to feeling of being absent from the child's life) leads to greater influence of the child in buying decisions (CBD).

Meeting the child's request (Bruner & Hensel, 1992) refers to the degree to which parents confess to buying a specific product for their children when they ask for it. We assumed that the mother's need to repair guilt is related to the fact that she yields to her children's requests. Thus:

#### *Hypothesis 2: GEM leads to greater yielding to the child's requests (YCR).*

Often, the child's requests are related to a superfluous product from the perspective of the parents; superfluous can be defined as too much, useless due to being excessive, or unnecessary. The purchase of superfluous items is related to the satisfaction of desires. Thus, the mother would seek ways to provide moments of pleasure to the child to repair guilt. Therefore:

#### *Hypothesis 3: GEM increases the frequency the mother buys superfluous products for the child (SPC).*

We propose that the relationship between GEM and YCR is moderated by the mother's consumption style (MCS) (H2a) and by the mother's purchasing impulsiveness (MPI) (H2b). We also propose that the relationship between GEM and SPC is moderated by the mother's consumption style (H3a) and by the mother's purchasing impulsiveness (H3b).

To test the hypothesis, we performed two experimental studies. Our first study tested H1, H2 and H3, as well as H2a and H3a with manipulation of GEM and MCS (mother's consumer style) with a 2x2 between-subjects factorial experimental design. The manipulation was conducted using the projective technique. A total of 122 valid questionnaires were collected. To measure the dependent variable CBD, we adapted a scale from Foxman and Tansuhaj (1998), and YCR was measured by a five-item scale adapted from Carlson and Grossbart's (1988). SPC was measured by one item. The second study tested hypotheses H1, H2, H3, as well as H2b and H3b, with a 2x2 (GEM high versus low; MPI high versus low), between-subjects factorial experimental design. The dependent variables were the same as those in study 1. Data was collected through online questionnaires, the link to which was sent by e-mail to a group of mothers. A total of 154 valid questionnaires were obtained. The manipulation was conducted by means of autobiographical memory, as the respondents were asked to recall a situation in which they felt guilty for being absent at some point in their children's life. In the control condition, the mothers were asked to think about any situational routine they have with their child. The scales used for the dependent variables were the same as those in Study 1.

Both studies confirmed H1 and H2, indicating that, in the sample studied and based on the way the experiment was conducted, mothers who feel more guilty are more permissive in relation to their child's consumption requests and allow their child to influence their consumer decision, compared to mothers that feel little to no guilt. The first study confirmed H3, indicating that on average, guilt leads the mother to buy more superfluous products for the child. There was no verifiable effect of an interaction between GEM and MPI or GEM and MCS. The results of this research demonstrate that, in the studied samples, mothers who feel more guilty are more tolerant and permissive with regard to consumer requests from their children. This confirms that guilt propels them to perform a reparatory action (Dahl et al., 2005), and that this reparation can be achieved through consumption.

Here, we have contributed to the discussion on child consumption by highlighting another factor that leads to its excess. Educating parents on the subject seems crucial, especially when purchasing out of guilt occurs unconsciously. Compensating the feeling of guilt through consumption is a solution that gives a short feeling of wellbeing, but this guilt soon re-emerges and new compensation will be required.

#### **ACKNOWLEDGEMENTS**

This research was conducted during a scholarship supported by CNPq – Brazilian Center of Scientific and Technological Development, at EAESP-FGV.

- Bruner, G. C., & Hensel, P. J. (1992). Marketing Scales Handbook – A Compilation of Multi-item measures [Vol. I]. Chicago, IL: American Marketing Association.
- Carlson, L., & Grossbart, S. (1988). Parental style and consumer socialization of children. *Journal of Consumer Research*, 15(1), 77-94.
- Foxman, E. R., & Tansuhaj, P. S. (1988). Adolescents' and mothers' perceptions of relative influence in family purchase decisions: patterns of agreement and disagreement. *Advances in consumer research*, 15, 449-453.
- Sukhdial, A., & Boush, D. M. (2004). Eating Guilt : Measurement and Relevance to Consumer Behavior. Advances in Consumer Research, 31, 575–576.

### The Shopping Experience of the Middle Class Consumer of an Emerging Country In Two Retail Formats

Giuseppina Marcazzo, Pontifcia Universidad Javeriana-Cali, Colombia

#### EXTENDED ABSTRACT

#### Introducción

Lo que desean los clientes va más allá de las características funcionales que derivan en beneficios, el cliente busca experiencias (Schmitt, 2006); Bianchi y Mena (2008, p.20) afirman: "El futuro hará relación a la venta de experiencias, de esta forma productores y comerciantes deberán pensar más allá de las características y beneficios de los productos y servicios que está vendiendo, deberá conocer que elementos soportan o mejoran la experiencia del cliente".

Se indaga la experiencia de compra en tiendas de barrio y supermercados dada su participación de mercado, enfocando la investigación en el estrato socio-económico 3, que hace parte de la "clase media colombiana".

#### Revisión de Literatura

Pine II y Gilmore en 1999, plantean el ingreso de una nueva oferta económica, la oferta de la "experiencia", concepto que involucró los aspectos no racionales implícitos en las transacciones, y que fueron aportados por Holbrook y Hirshman en 1982, quienes exponen que algunas actividades de consumo se explican mejor desde la perspectiva "experiencial".

Mascarenhas, Kassavan & Bernacchi (2006) señalan que, desde la perspectiva de mercadeo la experiencia se puede definir como: "lo que el consumidor gana, siente, aprende, memoriza y genera a partir de la acción resultante de la interacción de la empresa y el cliente"; Meyer y Schwager (2007), presentan la experiencia como la respuesta interna y subjetiva que tiene el consumidor frente a un contacto directo o indirecto con la compañía; para Verhoef et al. (2009), la experiencia es un constructo de naturaleza holística y envuelve el conocimiento, los afectos, las emociones y las respuestas físicas y sociales dirigidas al detallista.

#### Los atributos de la experiencia

Hansen y Deutscher (1977) presentan los diez atributos más relevantes y los cinco menos importantes, en una tienda por departamentos y una tienda de víveres. Para Terblanch y Boshoff (2004, 2006), la experiencia del consumidor dentro de la tienda tiene cinco dimensiones básicas; Bianchi y Mena (2008) en Chile, presentan doce atributos e identifican uno nuevo: "ambiente seguro de la tienda".

No se registraron estudios concluyentes de la experiencia de compra en la *tienda de barrio*, aunque si se aborda su estudio con otros objetivos: 1) Pisani y Yoskowitz (2012), investigan la tienda en Nicaragua y Salvador, dirigiendo su atención al dinamismo, informalidad y competitividad; 2) Flexor (2014) estudia las tiendas en Río de Janeiro frente a la "revolución de los supermercados"; 3) Duhau y Giglia (2007), resaltan la coexistencia-complementariedad de las grandes cadenas globalizadas y el micro comercio.

#### Metodología

La investigación se desarrolló desde una perspectiva mixta, aplicando 12 entrevistas, 1 grupo focal y 760 encuestas.

#### Análisis y Resultados

En la fase exploratoria se identificaron 24 atributos que conformaron el instrumento cuyos resultados fueron procesados identificando 8 componentes. En el *supermercado* los componentes conformados por los factores comodidad, tranquilidad y variedad explican la experiencia de compra del consumidor estudiado. Para la *tienda de barrio*, el componente producto y más específicamente la posibilidad de encontrar diferentes referencias (tamaños) de productos es el factor que más aporta a explicar la experiencia en este formato. En este contexto económico, en el que la capacidad adquisitiva de la clase media tiende a reducirse, la posibilidad de encontrar calidad y variedad de productos, marcas y, en especial referencias de menor tamaño de productos y marcas bien posicionadas y de calidad reconocida, es el aspecto que incide en la experiencia de manera protagónica en la *tienda de barrio* y de forma complementaria en el *supermercado*.

#### Discusión y Conclusiones.

Como variables que explican la experiencia del consumidor en el supermercado se señalan: variedad de productos y marcas; limpieza; orden y exhibición. Para el formato tienda de barrio, el encontrar referencias ajustadas a las necesidades del consumidor determina la experiencia en este formato.

Los resultados señalan variables diferentes al precio ganando espacio en la mente de los consumidores ratificando la "nueva oferta económica" presentada por Pine y Gilmore a finales del siglo pasado.

#### REFERENCIAS

- Bianchi, Constanza y Joaquín Mena (2008). Atributos relevantes em los distintos formatos de retail: evidencia em Chile. Academia, Revista Latino Americana de Administracion- CLADEA, 41, 2008.
- Duhau y Giglia (2007). Nuevas centralidades y prácticas de consumo en Ciudad de México: del micro comercio al hipermercado. *Revista Eure*. Vol.XXXIII, No.98, pp. 77-95, Santiago de Chile, mayo 2007.
- Flexor, Georges. (2014). Las tiendas frente a la "revolución de los supermercados": el caso de la Región Metropolitana de Rio de Janeiro. *Econ. Soc. territ.* online . 2014, vol.14, n.45, pp.497-522. ISSN 1405-8421.
- Hansen, Robert A. y Terry Deutscher. An empirical investigation of attribute importance in retail store selection. *Journal of Retailing*. Nol.53. No.4.1977 – 1978.
- Holbrook, M. B., & Hirschman, E. C. (1982). The Experiential Aspects of Consumption- Consumer Fantasies Feelings and Fun. The Journal of Consumer Research, 9 (2), 132-140.
- Mascarenhas, O. A.; Kesavan, R. & Bernacchi, M. (2006). Lasting customer loyalty: a total customer experience approach. *Journal of Consumer Marketing*, 23 (7), 397-405.
- Meyer, Christopher y Andre Schwager (2007). Comprendiendo la experiencia del cliente. Harvard Business Review Edición America Latina, 91-99.
- Pine, B. J., & Gilmore, J. H. (1999). The Experience Economy. Boston, MA: Harvard Business School Press.Pisani, M & Yoskowitz, D.W. (2012). A study of small neighborhood tienditas in Central Aerica. *Latin American research Review*, 47 116-138.
- Pisani, M & Yoskowitz, D.W. (2012). A study of small neighborhood tienditas in Central Aerica. *Latin American research Review*, 47 116-138.

#### 132 / The Shopping Experience of the Middle Class Consumer of an Emerging Country In Two Retail Formats

Schmitt, B. H. (1999). Experiental Marketing. New York: THE FREE PRESS.

- Terblanche, N.S. y C. Boshoff (2004). The in-store shopping experience: A comparative study of supermaeket and clothing store customers. South African Journal of Business Management. 35 (4).
- Terblanche, N.S. y C. Boshoff (2006). A generic instrument to measure customer satisfaction with the controlable elements of the in-store shopping experience. South African Journal of Business Management, p. 37 (3).
- Verhoef, Peter C., Lemon Catherine N., A. Parasuraman, Anne Roggeveen, Michael Tsiros & Leonard A. Schlesinger. Customer Experience Creation; Determinants, Dynamics and Management Strategies. Journal of Retailing 85 (1, 2009) 31-41.

# Differentiation Based on the Value of Business Relations: How to Reach and Maintain the Provider Status. An Analysis of the Buyer-Seller Relationship in an Emerging Economy

Guillermo, Buenaventura, Universidad ICESI, Colombia Juan Antonio, Gudziol-Vidal, Universidad ICESI, Colombia

#### INTRODUCTION

It is an undeniable fact that, in the current context, companies from emerging countries strive to adapt to the dynamics of the environment and to compete efficiently based on the unique characteristics they possess (Gudziol, 2015). These characteristics are essential for the construction and consolidation of profitable relationships between buyers and sellers.

This paper aims to establish the main aspects considered by Colombian importers-buyers when they select their foreign suppliers and that facilitate them to consolidate profitable relationships that in the future allow them to compete with greater efficiency. We focused specifically on trade relations between Colombia (buyers / emerging country) and France (country / developed vendors). We focused specifically on trade relations between Colombia (buyers / emerging country) and France (country / developed vendors).

This article has four parts: the first one presents a review of the relevant literature; the objectives of the study and their justification presented in the second part. In the third part, we propose the hypothetical model and the respective hypotheses on the relations between the variables and the methodology to test them; and finally we explain the conclusions, future lines of research and the limitations of the study.

#### LITERATURE REVIEW AND FRAMEWORK DEVELOPMENT

#### Trust

Defined in many ways (Gefen, Karahanna and Straub, 2003). The field of relations between buyers / importers and sellers / suppliers has been extensively studied (Poon, Albaum and Yin, 2017) and particularly with regard to international marketing and business (Jiang, Henneberg and Naudé, 2011; Lander and Konning, 2013).

In addition, the literature emphasizes the importance of trustbased relationships between buyers and sellers, as Ratnasingam (2005) argues, trust is the subjective probability with which members of the organization collectively evaluate how a particular transaction will occur in accordance with their expectations of trust. The cognitive and affective components of trust (Akrout, Diallo, Akrout and Chandon, 2016) studied in the business-to-business (B2B) literature, are considered, also, in the model proposed in this study.

In the study, we also consider the definition of Wang and Huff (2007) who argue that it is crucial for sellers to gain the trust of buyers, and that trust facilitates the buyer economy in efforts to reduce uncertainty present in Cross-border transactions. According to this approach, trust consists in the willingness to trust the seller in a situation of uncertainty, based on the expectation of confidence that the seller will satisfactorily perform a major activity for the buyer.

#### Reputation

The complexity of the relations of exchange between sellerbuyer has been rising due to the increasing degree of specialization, intensity of knowledge and service, and obviously by the complexity that permeates these relations (Nordin and Kawalkowski, 2010; Aarikka and Sakari, 2014). Reputation is an important indicator of trust in the seller-buyer relationship as it reduces uncertainty in new exchange situations while building and strengthening the relationship.

#### Loyalty

Loyalty refers to a deeply held commitment to rebuy a preferred product or service consistently in the future, thereby causing samebrand or same organization purchasing, despite influences and marketing efforts having the potential to cause switching (Oliver, 1997).

#### Value Perception and Competitiveness

The value perceived by the customer is a crucial aspect that facilitates the forecasting of their buying behavior and attain the competitive advantage (Landroguez, Castro and Cepeda, 2013). As we have previously pointed out, companies compete in a highly dynamic and competitive environment where customers demand high levels of value added, which means that organizations must strive to create and deliver superior value to their customers (Smith and Colgate, 2007). Therefore, in this study we propose that focusing to the clients brings with it the creation of value, and accordingly will facilitate the obtaining of competitive advantage and later gains.

#### Ethnocentrism

Several aspects analyzed and relating to the international trade framed a markedly cultural and immersed in this sphere is ethnocentrism that has re-emerged with unusual force, as examples cited what happens today with "Brexit" and "America First". The tendency of people to be ethnocentric represents their beliefs about the appropriateness and moral legitimacy of the purchase of foreign products (Shim y Sharma, 1987).

#### **Conceptual framework**

In the field of seller-buyer relationships, building and strengthening trust leads the seller to be more competitive vis-a-vis other market players (Ganesan, 1994). Trust facilitates, strengthening interpersonal relationships, between organizations and within the organization (Svensson, 2004), reducing transaction costs (Rousseau, 1998) and achieving high levels of loyalty that improve profitability by being an incentive for seller-buyer to work cooperatively to achieve long-term benefits for both (Kottila and Rönni, 2008).

In business and academia, it is in the interest of academics and practitioners to study interpersonal trust, which refers to the relationship between two people representing their respective companies (buyer / seller, buyer / retailer, retailer / seller, etc.). Interpersonal trust was studied as an expectation (Dwyer et al., 1987; Zaheer et al., 1998) as a partner / partner belief (Schurr and Ozane, 1985; Kummar et al., 1995), and / or as disposition or intention of behavior (Shou et al., 2011). On the other hand, as the seller / buyer trust is strengthened, the buyer' value perception rises. Competitiveness in the buyer-seller relationship improves as confidence builds and partners combine capabilities in order to extend competitive advantage (Hammervol and Toften, 2010). These authors also establish that as the competitive advantage grows and confidence develops the perception of value for the parties' increases. Given the above arguments, we propose Hypothesis 1.

Hypothesis 1: The level of trust of the relationship vendor purchaser positively affects the perception of value of the relationship of the importer with the supplier.

#### 134/DifferentiationBasedontheValueofBusinessRelations:HowtoReachandMaintaintheProviderStatusAnAnalysisoftheBuyer-SellerRelationshipinanEmergingEconomy

On the other hand, trust in collaborative relationships greatly influences the future relationship between seller-buyer and has greater impact than fair rewards and reputation (Wagner, Coley and Lindemann, 2011).

Consequently, to the extent that the seller has a reputation, the buyer's trust will be the same. Likewise, to the extent that the seller has a reputation, the buyer will value the existing or projected relationship. Buyers have optimistic feelings about the future of the buyer-seller relationship, as they perceive a certain degree of commitment from the parties and in particular increase the buyer's confidence level to the extent that the perception of the seller's reputation is high. In consequence, to the previous arguments, we propose the following hypotheses:

- *Hypothesis 2:* Reputation of the seller is related positively with the level of trust of the relationship, perceived by the buyer.
- *Hypothesis 3: Reputation of the seller level positively affects the value of the relationship perceived by the buyer.*

Likewise, companies driven by the competitive environment strive to improve their capabilities, product supply and skills to increase value for customers/buyers and shareholders (Feurer and Chaharbaghi, 1994). However, by increasing their competitiveness, companies adapt more easily to a very dynamic and demanding environment, and to achieve greater competitiveness, companies will commit more resources in the long term, which will invest in human capital and technology. In B2B relationships, reputation plays an important role in building trust in the long run, which has a solid foundation in the image of the seller, the quality of the product he sells, and the perceived value of the product (Cretu and Brodie, 2007).

In the international business context, there is great uncertainty when making transactions between parties that are unknown, which makes the process of buying and selling quite complex, this is one of the reasons why the reputation of both, the supplier and or the buyer, is of great value for the construction of reliable relationships (Aarikka-Stenroos and Makkonen, 2014). Therefore, we can propose the following two hypotheses:

- *Hypothesis 4:* The degree of competitiveness of the seller company, perceived by the buyer, is positively related to perceptions of trust on the relationship by the importer.
- *Hypothesis 5:* The degree of competitiveness of the seller company, perceived by the buyer, positively affects the perception of value by the importer.

Following the line of argument, the value perception of RCS<sup>1</sup> affects the degree of commitment between the parties (Simpson et al., 2005), and there is empirical evidence of the positive effect of the perceived value on the degree of commitment between the parties (Barry and Terry, 2008; Ulaga and Eggert, 2006). Other authors such as Moller (2006) point to the empirical evidence of the relationship between the degree of commitment and perceived value (Moller, 2006).

The ex-ante literature emphasizes that the degree of commitment between the parties is a duration determinant of the RCS (Andaleeb, 1996; Morgan and Hunt, 1994), which will probably result in the degree of loyalty to the resulting compromise (Evanschitzky et al., 2006). Considering the aspects discussed in the previous paragraphs we propose the following hypotheses

*Hypothesis 6: The level of trust in the seller/buyer relationship positively affects the loyalty of the importer to your provider.* 

#### Hypothesis 7: The perception of value in the buyer/seller relationship positively affects the loyalty of the importer to your provider.

Ethnocentric consumers prefer the products of their own country because they consider that they are better (Klein et al., 1998, Wang and Chen, 2004). The greater the importance that individuals place on production or non-production in the country of origin, the greater their ethnocentric tendency (Huddleston, Good and Stoel, 2001).

Research in developed countries shows that ethnocentric individuals overestimate the country's products and undervalue those of foreign countries, have a preference and feel a moral obligation to buy products from the country (Sharma et al., 1995). For these reasons, it can be deduced that a buyer with a marked ethnocentrism will have a low confidence and perception of value of the foreign seller. Therefore, and taking into account what we have argued in the previous paragraphs, we propose the following hypotheses

Hypothesis 8:	The degree of ethnocentrism of the buyer nega-
	tively affects the trust in the relationship whit the
	foreign seller.

*Hypothesis 9:* The degree of ethnocentrism of the buyer adversely affects the perceived value of the seller by the importer.

In consideration of the arguments raised up to this part of the discussion, we will now discuss the methodology developed.

#### METHOD

In order to test the hypotheses, a questionnaire of 53 questions was applied to 5 employees from different areas of the company in order to control the response bias, obtaining 200 valid questionnaires obtained in a database of importing companies from Colombia, and who voluntarily pledged to respond to the survey.

The model considers: "trust", "reputation", "commitment", "loyalty", "ethnocentrism", and "perceived value" constructs. A 5-point Likert scale is used for its measurement, where 5 is " "And 1" Absolutely Disagree ". To test the relationship between the variables and the goodness of fit of the model (SEM) and the goodness of fit of the model we used AMOS.

However, in terms of measurement, "Trust" is measured by the scale developed by Arnolds and Reynolds (2003), and Ding, Ng and Wang (2014). "Perceived value" is measured using the 30-item scale of Gallarza-Saura (2006), Ralston (1999), Sánchez et al., 2006, and Otto and Ritchie (1996). "Competitiveness" has been measured with the 7-item scale validated by Terblanche (2014), the "Reputation" with the 2-item scale validated by Walsh and Beatty (2007), "Loyalty" is measured by the 3-item scale Morgan and Hunt (1994), and "Etconcentrism" with the 6-item scale validated by Shimp and Sharma (1987).

<sup>1</sup> RCS: the relationship between customer and seller.

#### RESULTS

For purposes of the hypotheses set forth, Table 1 below shows the results of the test. Hypotheses 2, 3, 4, 5, 6, 7 and 8 were confirmed; hypotheses 1 and 9 were not confirmed, as indicates Figure 1

However, the reliability of the measures observed and the number of indicators per factor determine the fit of the model, which is why it is advisable to work on 200 questionnaires valid for any SEM (Jackson, 2003). The goodness of fit of the model is analyzed from several indicators: CEMIN / DF: 1,966 – close to 2,00; CFI: 0.925; IFI: 0.926, TLI: 0.912, and RMSEA: 0.07 <0.08, the above indexes are indicators of a very good adjustment (Cupani, 2012).

Figure 1. Contrast of purposed model.

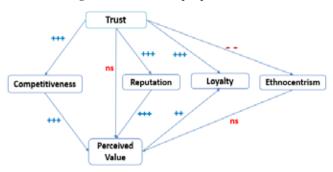


Table 1. Summary of statistical testing to the purposed model.

Hypoteses statisitical analysis								
Hypotheses	ypotheses Relation Estimate β t-value Probability State							
H1	VALUE < TRUST	-0,417	-1,541	0,123	not comfirmed			
H2	REPUTATION - TRUST	0,715	10,134		com/inmed			
НЗ	VALUE < REPUTATION	1,063	3.000	0,003	comfirmed			
H4	COMPETITIVENESS TRUST	0,644	8,26		com/immed			
HS	VALUE C COMPETITIVENESS	0,416	5,113		com/immed			
H6	LOVALTY TRUST	C, 663	6,431		comfirmed			
H7	LOYALTY < VALUE	0,247	2,191	0,028	com/inmod			
HS	ETHNOCENTRISM < TRUST	-0,345	-2,575	0,01	comfirmed			
H9	VALUE < ETHNOCENTRISM	0,031	1,171	0.242	not comfirmed			

\*\*\* probability < 0,001

#### DISCUSSION AND CONCLUSIONS

The direct effect of the trust in the perceived value has not\_established, since the results indicated non-significant effect in their relationship. We conjecture that the perception of value by Colombian buyers (small business) is independent of the development of trust in the seller, probably because they consider other factors (i.e. low price) in a cultural media where trust in not precisely a great value (i.e. Odebrecht, an actual State corruption case in Latin America).

However, the indirect effect of trust on the perceived value through the mediation of competitiveness and reputation is evident. It indicates that the small business claims for external suppliers perceived with high level of reputation and competitiveness.

The degree of ethnocentrism of the buyer has no significant effect on the perception of the value of the seller, and this probably is because the local offer is perceived as of lesser economic value relative to foreign supply.

#### Latin America Advances in Consumer Research (Volume 4) / 135

Trust in the supplier/buyer and perceived value of the relationship supplier/buyer are certainly drivers for getting the loyalty of the buyer.

The model results in an important instrument to accelerate the international trade (sales) from external suppliers to small business buyer in Colombia.

For futures investigations is desirable to incorporate new variables (i.e. cost of the product, difficulty for import, number of alternatives of external suppliers, cultural distance), and conducts the study in other sizes (medium, large). In addition, it will be interesting making the investigation in other Latin-America countries.

- Aarikka-Stenroos, L., y Sakari-Makkonen, H. (2014): "Industrial buyers' use of references, word-of-mouth and reputation in complex buying situation". *Journal of Business & Industrial Marketing*. 29(4), pp. 344-352.
- Akrout, H. (2014): "A process perspective on trust in buyersupplier relationships. "Calculus". An intrinsic component of trust evolution". *European Business Review*. 27(1), 17-33.
- Akrout, H., Wafa, F.D., y Chandon, J-L. (2016): "Affective trust in buyer-seller relationships: a two dimensional scale". *Journal* of Business & Industrial Marketing. 31(2), pp. 260, 273.
- Gefen, D., Karahanna, E. y Straub, D. W. (2003): "Trust and TAM in online shopping: an integrated model". *MIS Quarterly*, 27(1), 51-90.
- Cupani, M. (2012): "Análisis de ecuaciones estructurales: conceptos, etapas de desarrollo y un ejemplo de aplicación". *Revista Tesis – Facultad de Psicología.* 1, pp. 186-199
- Gudziol, J. A. (2015): "Análisis de la relación entre el aprendizaje organizativo y la internacionalización de las empresas.
  El papel de la flexibilidad estratégica y de la capacidad para competir internacionalmente". *Tesis de Doctorado*, Universidad de Valencia, 2015.
- Jiang, Z., Henneberg, S.C., y Naudé, P. (2011): "The importance of trust vis-à-vis reliance in business relationships: some international findings". *International Marketing Review*. 28(4), pp. 318-339.
- Kottila, M.R., y Rönni, P. (2008): "Collaboration and trust in two organic food chain". *British Food Journal*. 110(4/5), pp. 376-394.
- Lander, M.W. y Kooning, L. (2013): "Boarding the aircraft: trust development amongst negotiators of a complex merger". *Journal of Management Studies*. 50(1), pp. 1-28.
- Landogrez, S.M., Castro, C.B., y Cepeda, G. (2013): "Developing an integrated vision of customer value". *Journal of Services Marketing*. 27(3), pp. 234-244.
- McKnight, D.H., Choudhury, V., y Kacmar, C. (2002): "The impact of initial consumer trust on intentions to transact with a web site: a trust building model". *The Journal of Strategic Information Systems*. 11(3-4), pp. 297-323.
- Nordin, F., y Kawalkoswki, C. (2010): "Solutions offerings: a critical review and reconceptualization". *Journal of Service Marketing*. 21(4), pp. 441-459.
- Petty, J., y Goodman, K. (1996): "Customer profitability analysis, management accounting issues report number", *Australian Society of CPAs Management Accounting Centre of Excellence ASCPA*, Melbourne.
- Poon, P., Albaum, G. y Chan, P. S (2012): "Managing trust in direct selling relationships". *Marketing Intelligence and Planning*. 30(5), pp. 588-603.

#### 136DifferentiationBasedontheValueofBusinessRelations:HowtoReachandMaintaintheProviderStatusAnAnalysisoftheBuyer-SellerRelationshipinanEmergingEconomy

- Poon, P., Alban, G. y Yin, C-Y. (2017): "Exploring risk, advantages and interpersonal trust in buyer-seller person relationships in direct selling in a non-Western country". *International Journal* of Retail & Distribution Management. 45(3), pp. 1-31.
- Smith, J.B., y Colgate, M. (2007): "Customer value creation: a practical framework". *Journal of Marketing Theory & Practice*. 15(1), pp. 7-23.
- Wang, S., y Huff, S. C. (2007): "Explaining buyer's responses to seller's violation of trust". *European Journal of Marketing*. 41(9/10), pp. 1033-1052.

#### Better Safe than Sorry: Effects of Brand Hatred on Preferences for Competing Brands

Johannes Boegershausen, University of British Columbia, Canada

Anne-Kathrin Klesse, Erasmus University, Netherlands Joandrea Hoegg, University of British Columbia Darren W. Dahl, University of British Columbia, Canada

#### EXTENDED ABSTRACT

Consumers frequently experience negative feelings toward brands. Indeed, research has shown that a majority of consumers have experienced negative feelings toward brands, including worry, dissatisfaction, and hatred (Fournier and Alvarez 2013; Romani, Grappi, and Dalli 2012). A recent campaign by Spirit Airlines suggests that companies are aware of such intensely negative feelings towards brands. In 2014, Spirit invited consumers to visit its website and express their hatred for Spirit or other airline brands. Spirit marketers rejoiced that "60% of the total hate [of the 30,000 consumers who participated] went to other airlines". Presumably, Spirit's managers believed that consumers' hatred for competitors would be beneficial for their brand. Such a belief appears to be consistent with managerial wisdom. We contacted twenty-two restaurant managers and asked them whether their brand would profit, suffer, or be unaffected if consumers hated one of their close competitors. The majority indicated that hatred toward a close competitor would not cause their brand to suffer. Indeed, 41% believed it would be beneficial and 41% believed it would not affect their brand. This begs the question: do companies really remain unaffected or even benefit from hatred directed at their close competitors?

The current research examines how hatred toward one brand influences consumer preferences toward competing brands. Brand hatred is characterized by "intense feelings of dislike, animosity, hostility and aversion" (Matsumoto 2009, p. 230) and may result from the combination of experiences of anger, contempt, and disgust toward the hated object (Sternberg 2003). Because of these emotional markers and its negativity, the effects of brand hatred may reach beyond the focal brand that is the target of these feelings. Relative to neutral (i.e., indifference) and other negative (i.e., dissatisfaction) feelings, hatred toward a brand shifts consumer preferences for competing brands. We predict that hatred for a brand activates self-protection concerns, which in turn lead consumers to prefer competitors from a different subcategory to close competitors from the same subcategory. Thus, whether a brand profits or suffers from hatred toward a competitor depends on whether the brand is in the same or a different subcategory as the hated brand.

We test our predictions in six studies providing converging correlational and experimental evidence. Studies 1a (n = 198), 1b (n = 136), and 2 (n = 244) test our central prediction that brand hatred shifts consumer preferences for competing brands toward brands from another subcategory. Specifically, studies 1a and 1b provide correlational and experimental evidence from several industries that hatred relative to neutral feelings for one brand sways consumer choice toward a competitor from a different subcategory. Study 2 demonstrates that these shifts in consumer preferences are unique to brand hatred and do not emerge for other negative feelings toward brands such as dissatisfaction. By way of mediation and moderated mediation, studies 3 (n = 154) and 4 (n = 329) provide evidence that self-protection concerns as hypothesized in H, explain these shifts in consumer preferences. Specifically, study 3 shows that hatred activates self-protection concerns, which in turn result in greater purchase likelihood for the brand from the other (vs. same) subcategory. Study 4 tests the effectiveness of intervention strategies (i.e., a reputation for superior quality and money-back guarantees) that brands can employ in order to prevent being negatively impacted by consumer hatred for another brand in their subcategory. Finally, study 5 (n = 1092) provides field data to further corroborate that hatred for a brand leads consumers to eschew same-subcategory competitors. Specifically, we analyze restaurant reviews by more than 1,000 consumers from the online review portal Yelp to test how hatred-evoking dining experiences affect consumers' propensity to return and review other restaurants from the same subcategory as the focal brand.

By demonstrating effects of brand hatred on consumer preferences for competing brands we make several contributions. First, we identify the potential of brand hatred to exert strong and predictable effects beyond avoidance of the focal object of these feelings. Brand hatred shifts consumer preferences for competing brands in choice sets that do not even feature the hated brand. We also identify self-protection concerns as a driver of consumer preferences when feelings of hatred are activated. We show that brand hatred is distinct in its tendency to produce such preference shifts for competitors. Our account of how hatred triggers selfprotection concerns can deepen our understanding of how actions and corresponding perceptions of a focal brand affect other brands as demonstrated in research on brand crises.

From a practical perspective, we highlight the importance of monitoring consumer perceptions not only of a company's own brand but also of its competitors. Our work shows that merely having a reputation for superior quality is not sufficient to prevent consumers who hate a close competitor from avoiding a brand. While a quality reputation certainly offers some protection, only marketing instruments that directly assuage consumers' self-protection concerns enable brands to insulate themselves from hatred toward other brands in the same subcategory.

- Fournier, Susan and Claudio Alvarez (2013), "Relating Badly to Brands," Journal of Consumer Psychology, 23 (2), 253–64.
- Matsumoto, David (2009), "Hatred," in *The Cambridge Dictionary* of *Psychology*, David Matsumoto, ed. Cambridge, UK: Cambridge University Press, 587.
- Romani, Simona, Silvia Grappi, and Daniele Dalli (2012), "Emotions that drive consumers away from brands: Measuring negative emotions toward brands and their behavioral effects," *International Journal of Research in Marketing*, 29 (1), 55-67.
- Sternberg, Robert J. (2003), "A duplex theory of hate: Development and application to terrorism, massacres, and genocide," *Review* of General Psychology, 7 (3), 299-328.

#### **Construction Process of a Destination Image: Applying the "Schemas" Concept**

Pedro Quelhas Brito, Universidade do Porto - Faculdade de Economia, Portugal Zaíla Oliveira, Universidade do Porto – Faculdade de Economia, Portugal

#### **EXTENDED ABSTRACT**

Destination image is one of the most popular topics in tourism. The concept of image is a quite losing construction since there is a huge diversity of definitions and it incorporates both concrete and abstract content not clearly rooted on fundamental theories of psychology. The current methods impose a structure such as multiattribute rating of some destinations, in many cases he/she hardly ever had considered and using attributes not relevant to them. There are particularly two publications with a relatively high number of citations (in January 2017): Echtner and Ritchie (1993) with 1871, and Baloglu and McCleary (1999), quoted 2805 times. These authors and probably many of their followers propose lists of attributes to measure image. In the case of the first authors, that set of attributes was designed aiming to help clarify the dichotomy in destination characteristics: between functional/psychological components and between holistic/attributes dimensions. Specifically the holistic dimension and the characteristics considered unique, as opposed to the common indexed in attributes lists, deserve further attention in those articles. The method proposed in the research by Echtner and Ritchie (1993) consisted in the development of three open questions designed to define the holistic element in its functional/psychological and unique dimension.

The works of these reference authors deserve the following comments:

- Even the designated functional attributes necessarily contain psychological dimensions insofar as they are likely to generate feelings and preferences. The semantics (adjectives) used is revealing. Hence, such a division is somewhat artificial. Categorization in natural versus human attributes, put forward by other authors has more theoretical substance and consistency;
- The term applied to the open question used by these researchers already limits the scope of the response. Respondents tend to focus on their interpretation of atmosphere and mood.
- Each attribute may have different meanings, not only because the can evoke (through the communication performed by their promoter), but also by specific experiences from the tourist. For example, the same tropical beach destination can be classified totally differently depending on the context of the visit, alone/ with company or for business /leisure.
- Finally, what are unique attributes? And for whom? For the tourist, if it is a first visit to the destination or if there is nothing similar in the world. But even if technically (due to the history, culture, etc.) there is nothing unique for the tourist, his experience in that place may be unique. No matter how technically unique a destination may be, a tourist may classify it as very similar to other destinations.

What are the attributes (and terminology used), feelings, needs/ motivations and contexts associated with destinations the respondents freely indicate, following a narrative whose logic and construction is entirely their responsibility and autonomy?

At this early stage of the empirical data collection, the goal was to get from the respondents the description of the main characteristics of their dream destination. We started with a general question and encouraged the respondent to speak freely about the subject. The purpose is to record the order in which the individual expresses something about the concept of dream, afterwards characterizing and classifying such elements. The characterization will be based on categories. They include an attribute; the expression of a need/ feeling; an attitudinal provision; among other forms of knowledge representation: hence an almost phenomenological characterization of the referenced elements.

Relying on Spreading Activation Theory of Memory, Theory of Mental Schemas and Retrieval Theory of Priming in Memory Thorndyke, 1984; Komatsu, 1992: Nelson *et al.*, 1993; Romaniuk and Sharp, 2004), we designed a research instrument to capture under a phenomenological approach the authentic meaning of image for tourists. We left our 220 Brazilian respondents unconstrained to spontaneously express anything that comes to her/his mind about whatever place she/he dreams to visit. Then we obtained her/his personal narrative. The content produced was coded allowing to depict not only the nature of elements verbalized – attributes, needs, feelings and context – but also the order under which they mentioned. Such structure represented their mental schemas – network of meaningful concepts.

We found that most of natural and human attributes used in the literature were meaningful to tourists still they portrayed an idiosyncratic sequential combination of attributes, needs and feelings in their personal conceptualization of image. Secondly just a very restricted number of attributes proved relevant. We demonstrated the inaccuracy of current methods taking for granted one-fits-all approaches. The application Schema theory almost implied reading people's minds, since that under the effect of 'priming' we have an extensive and complex neuronal network, available almost simultaneously and in a few thousandths of a second in the mind of the receiver. The operationalization of that concept implied the development of procedures to obtain the sequential verbalized nodes of each network. Both at a theoretical and methodological level our research calls for a reconceptualization of image of destination. The major limitation lies in geographical/cultural context. In the future it would be interesting to apply this research in other countries and compare the nature and amount/proportion of verbalized elements among a more diversified cultural settings. A bigger sample would allow a tourists' segmentation based on their mental schema elaborations. The application of sentiment analysis procedures (software) associated with researchers content analysis could allow deeper insights about some emotional linguistic specificity of the tourists discourse. Advertisers will get more effective with accurate information about what is meaningful and how image elements are intertwined in the construction of the desired tourist experience.

- Baloglu, Seyhmus, and McCleary, Ken W. (1999), "A model of destination image formation," *Annals of Tourism Research*, 26(4), 868-897.
- Echtner, Charlotte M. and Ritchie JR Brent (1993), "The Measurement of Destination Image: an empirical assessment," *Journal of Travel Research*, 31(4), 3-14.
- Komatsu Lloyd K. (1992), "Recent views on conceptual structure," *Psychological Bulletin*, 112(3), 500-526.
- Nelson, Douglas L., Bennett, David J., Gee, Nancy R., Schreiber, Thomas A., and McKinney, Vanessa M. (1993), "Implicit memory: effects of network size and interconnectivity on cued recall," *Journal of Experimental Psychology: Learning, Memory, and Cognition*, 19(4), 747-764.

Romaniuk, Jenni, and Sharp, Byron (2004), "Conceptualizing and measuring brand salience," *Marketing Theory*, 4(4), 327-342.

Thorndyke Perry W. (1984), "Applications of schema theory in cognitive research", in Anerson J.R. e Kosslyn S. M. (eds.), *Tutorials in learning and memory*, San Francisco: Freeman, 167-192.

#### Giving Away The Data of Others: An Exploration of an Ownership Ambiguity Framework

Vincent-Wayne Mitchell, Cass Business School London, UK Bernadette Kamleitner, Wirtschaftsuniversitat, Vienna, Austria Sophie Sussenbach, Wirtschaftsuniversitat, Vienna, Austria

#### EXTENDED ABSTRACT

When registering to use apps or websites, consumers regularly pass on the personal data of others online (Litt & Hargittai, 2014; Sarigol, Garcia, & Schweitzer, 2014). So why do people pass on vast amounts of information about others to unknown recipients, disrespecting deeply ingrained norms of respect for others privacy, information and possessions (Goodwin, 1991; Kelvin, 1973; Rudmin, 1991)? The paper begins by establishing the ownership framework and explores the elements of ambiguity at 3 steps by drawing on qualitative data from a range of sources.

Data from several sources were used in conjunction with literature on perceptions of ownership and personal data, namely, consumer attitudes to giving away the data of others as well as comments and online chatrooms such as the Facebook community webpages. Secondly, 113 subjects were asked to write down their thoughts on a scenario. Thirdly, the researchers engaged in introspection of their own behavior regarding the phenomenon.

The first step entails the realization of data transfer. For people to react to any transfer of ownership they need to be aware of it. Transfer ambiguity can result from; *Hidden decision*, i.e. the actual decision to give away is 'hidden' within the decision to use the app, and not made explicit. *Ignorance* concerns consumers' inability or unwillingness to actually read and engage with what is being requested (Dommeyer & Gross, 2003; Jensen, Potts, & Jensen, 2005). *(Motivated) Inattention* is a failure to pay attention inadvertently or being motivated.

Object ambiguity refers to the possibility that consumers may have difficulty grasping what the entity of (others') data is and what value it has. Several factors contribute to this. *Elusive nature of data* is the idea that data in our phones are complex and largely invisible, we may find it difficult to understand them as an entity that can be owned (Kamleitner & Mitchell, 2017). *Bundled sales* is the fact that apps do not request permission for specific, meaningful and easily identifiable points of data, such as a specific picture or phone number, but for a whole class of data such as all files or contacts. *Lack of value* results from consumers struggling to understand value of data for many reasons (Kamleitner & Mitchell, 2017).

The second step of passing on ownership assumes awareness of transfer and tackles the question as to who may hold a claim to the thing being transferred. Here, consumers realize that they are giving away something, but fail to realize that others may (also) hold a claim to it<sup>1</sup>. Several factors contribute to this. *Being asked* means consumers may fail to question their entitlements because they automatically react to signals of ownership brought about by the situation. *Container effect* concerns the question of where the data are stored or located. *Creator effect* signald control and thus potential ownership is the question of who has created the data (Fuchs, Prandelli, & Schreier, 2010; Levene, Starmans, & Friedman, 2015). *Conveyed ownership* is the idea that most of the data about others have been obtained directly from the other with their permission or at least with their acquiescence. *Public good* is where data has been shared a lot and is common knowledge to many, means they treat it like a

public good (cf. Feeny, Berkes, McCay, & Acheson, 1990; Hardin, 1968).

In the third step consumers understand others' data have value and recognize that others have rights to it, but they fail to respect the rights of others. Several factors contribute to this. Diffusion of responsibility relates to the fact that personal data rights and responsibilities are rarely explicitly discussed and thus it is very difficult to draw clear boundary lines that show where each party's responsibilities begin and end. Nothing to hide is an underlying assumption held by some that sharing data only harms those how have something to hide. Little harm comes from consumers not knowing for certain whether there is any harm in the action. Blind trust in the app provider seemed to play a role in making the need to respect the rights of others less clear. Reciprocity norms means consumers may use signals from others to infer what they are and are not allowed to do (Lin & McFerran, 2016; Ratner & Hamilton, 2015). Privacy is dead means whatever one does no longer makes a difference because the dice of privacy have fallen. You are me suggests that the passing on of intimate information to others is also a matter of the relationship between the person the information is about and the consumers the information is about (Vangelisti & Caughlin, 1997).

First, we have shown that the framework provides a useful starting point for the identification of specific reasons causing the (inadvertent) disclosure of others' data which is saturated with ambiguities. Second, the phenomenological decomposition of the phenomenon of the transfer of others data has brought to light that there are still substantial gaps in ownership research. Third, the framework is one of very few frameworks in marketing that explicitly recognizes the social nature of ownership and adds to a steadily growing stream of research across disciplines (Aryee, Seidu, Sacramento, & Martinaityte, 2015; Ashby & Burgoyne, 2009). Fourth are the practical implications of our findings with regards to public policy because interventions geared at reasons and ambiguities arising at step 3 will only be effective if there is not also a problem at step 1 and 2. For example, for step 1, where the consumer is unaware there is anything being transferred, companies could alert consumers to the transfer of other's data and app providers could make this more salient by using personalisation, e.g., 'the emails of your best friends' to overcome the incomprehensibility of 'all your contacts'.

- Aryee, Samuel., Emmanuel Y. M. Seidu, Claudia A. Sacramento, and Ieva Martinaityte (2015), "Proactive Customer Service Performance: Test of a Team-Level Model," *Academy of Management Proceedings 2015*, (1), 11002-11002.
- Ashby, Katherine J. and Carole B. Burgoyne (2009), "The financial practices and perceptions behind separate systems of household financial management," *Journal of Socio-Economics*, 38 (3), 519-529.
- Feeny, David., Fikret Berkes, Bonnie J. McCay, and James M. Acheson (1990), "The Tragedy of the Commons - 22 years later," *Human Ecology*, 18 (1), 1-19.
- Fuchs, Christoph., Emanuela Prandelli, and Martin Schreier (2010), "The Psychological Effects of Empowerment Strategies on Consumers' Product Demand," *Journal of Marketing*, 74 (1), 65-79.

<sup>1</sup> Note that our exploratory interviews can only deliver insights on this step because participants had been made aware that the data transferred concern other people.

Goodwin, Cathy (1991), "Privacy: Recognition of a Consumer Right," *Journal of Public Policy & Marketing*, 10 (1), 149-166.

- Hardin, Garrett (1968), "The Tragedy of the Commons," *Science*, 162 (3859), 1243-1248.
- Jensen, Carlos., Colin Potts, and Christian Jensen (2005), "Privacy practices of Internet users: Self-reports versus observed behavior," *International Journal of Human-Computer Studies*, 63 (1–2), 203-227.
- Kamleitner, Bernadette and Vincent-Wayne Mitchell (2017), "Can consumers experience ownership for all their personal data? From issues of scope and invisibility to agents handling our digital blueprints," Working Paper available at <u>https://www. researchgate.net/publication/312578846\_Can\_consumers\_</u> <u>experience\_ownership\_for\_all\_their\_personal\_data\_From\_</u> <u>issues\_of\_scope\_and\_invisibility\_to\_agents\_handling\_our\_</u> <u>digital\_blueprints.</u>
- Kelvin, Peter (1973), "A Social-Psychological Examination of Privacy," *British Journal of Social and Clinical Psychology*, 12 (3), 248-261.
- Levene, Merrick., Christina Starmans, and Ori Friedman (2015), "Creation in judgments about the establishment of ownership," *Journal of Experimental Social Psychology*, 60, 103-109.

- Lin, Lily and Brent McFerran (2016), "The (Ironic) Dove Effect: Use of Acceptance Cues for Larger Body Types Increases Unhealthy Behaviors," *Journal of Public Policy & Marketing*, 35 (1), 76-90.
- Litt, Eden and Eszter Hargittai (2014), "A bumpy ride on the information superhighway: Exploring turbulence online," *Computers in Human Behavior, 36*, 520-529.
- Ratner, Rebecca K. and Rebecca W. Hamilton (2015), "Inhibited from Bowling Alone," *Journal of Consumer Research*, 42 (2), 266-283.
- Rudmin, Floyd W. (1991), "To Own Is to Be Perceived to Own a Social Cognitive Look at the Ownership of Property," *Journal* of Social Behavior and Personality, 6 (6), 85-104.
- Sarigol, Emre., David Garcia, and Frank Schweitzer (2014), "Online privacy as a collective phenomenon," paper presented at the Proceedings of the second ACM conference on Online social networks, Dublin, Ireland.
- Vangelisti, Anita L. and John P. Caughlin (1997), "Revealing Family Secrets: The Influence of Topic, Function, and Relationships," *Journal of Social and Personal Relationships*, 14 (5), 679-705.

#### Diving and Sustainability: Does The Consumer Perceive Sacrifice In This Experience?

Polyanna Do Nascimento, Federal University of Pernambuco (UFPE), Brazil Salomão De Farias, Federal University of Pernambuco (UFPE), Brazil

#### **EXTENDED ABSTRACT**

The complexity that involves consumer behavior studies, including the individual's perception of what is received and what is given in an exchange (Sánchez-Fernández & Iniesta-Bonillo, 2007), what they need to give up and what they get in the establishment of their consumer relations is a highlighted issue that has been investigated in different contexts. Here we are interested in the diving experience in sites where a sustainable behavior is required from the consumer side.

As stated by Cayolla and Loureiro (2014), the strong connection process and the willingness to sacrifice that happens in the relationship between a consumer and a brand are not yet understood. In this perspective, the sacrifice that the individual can perform to consume a product is associated with aspects of choice, and relates to the attachment, the strength of the emotional and cognitive connection between the brand and the consumer's self (Park, MacInnis & Priester, 2006).

In tourism, the hedonic experience is a relevant aspect and includes a complex mix of functional, objective and tangible components, as well as subjective, hedonic, emotional and symbolic components (Williams & Soutar, 2009). It is thought that the individuals who choose a tourist adventure trip are buying a hedonic experience unlinked to their daily lives, in which they will experience different aspects of a local culture, such as local scenarios, new excitements, etc., and will probably need to have obligations with schedules or policed behavior.

Thus, if the individual chooses a scuba diving trip, where he/ she needs to behave in a sustainable way and preserve the local environment, culture and economy, is this perceived as a sacrifice? Considering that those are more rational behaviors than the expected hedonic context of a service like this (scuba diving business). This way, we are interested in knowing: **How do consumers perceive the sacrifice in the diving experiences where the practice of sustainability is required?** 

This study adopted a qualitative approach considering that qualitative research seeks the capture of subjective meanings of the issues studied from the perspectives of the participants (Flick, 2013). Seeking a better understanding of the research problem, we used data collected through the semi-structured interviews with divers: nine Brazilians, fifteen Italians and fourteen Dutch divers. The data was analyzed according to content analysis.

The individuals of three countries have different behavior related to the diving consumption, especially regarding the diving frequency, Brazilian and Italian respondents, in general, dive more often than the Dutch participants. These last, practice the activity only on holidays, the Brazilians and Italians respondents, often, go diving in the region they live.

The diving experience is evaluated according different perspectives by the informants; all of them reported a positive experience with the activity. It was possible to understand, all the speeches were always imbued with feelings (as passion, love, freedom, well-being, emotion and addiction) and sensations (as good, very good, different). Moreover, it was possible to identify behavior of strong attachment with diving and devotion to the aquatic environment. The experience is for them a sacred one, even for those that are experienced on the activity. During the interviews the informants were asked about what they understood by sustainability. According to UNWTO (2005), there are three dimensions of sustainable development: economic, social and environmental. Data analysis showed that the environmental dimension of sustainability was the main concept that respondents identified, the further aspects such as preservation; awareness and environmental education, were highlighted by the respondents.

Although the divers' perspective of sustainability is limited, they demonstrated a large concern with the environment, all the informants highlighted the importance to take care of and preserve the environment.

Sacrifice is perceived from different perspectives by the respondents of the three countries: the act of giving up something aiming to conquer another; aspects related to currency or time. However, for the sustainability practice in diving, three dimensions of sacrifice emerged: giving up leisure time, comfort and spending (more) monetary resources, to contribute financially to keep a safe diving environment.

Although sacrifice is present in diving, especially when it involves issues related to adoption of sustainable behavior it was found that the informants believe that any sacrifice is valid to continue practicing the activity. The preservation of the environment and the search for balance of the aquatic ecosystem is revealed as an indispensable factor for the informants to continue diving.

The adoption of a sustainable behavior despite being rated by most informants, sacrifice is seen as something positive and essential in the diving practice, considering that the high affective and emotional involvement with the activity makes them wanting to continue practicing the activity for the rest of their lives, as well as finding a healthy aquatic environment, full of color, rich in fauna and flora.

This study has limitations in terms of methodological nature and some difficulties experienced during the research. We stress the following: the variation in the number of respondents per country, this may hinder the process of comparison between the country's behavior, even using the saturation criterion; because it is a qualitative research, subjectivity in interpreting the responses of respondents at the time of the analysis can be placed as a research bias.

This study contributed to the understanding of sacrifice in the diving experience when the practice of sustainability is required. In this section, based on the findings of this research some questions for future studies to corroborate with the expansion of knowledge about sacrifice in consumption and sustainability practices are suggested:

Sacrifice is still a relatively unexplored subject in consumer behavior, it is suggested that further studies will be conducted to explore this concept more deeply, related to the willingness to sacrifice, the impact it may cause in consumer attitude and the emergence of new ways to consume.

New studies that relate the sacrifice and sustainability to other consumer activities or different diving services and are more associated with the individual's daily life. These studies can confirm the construction of new perspectives for Marketing associated with sustainable consumption.

#### REFERENCES

Cayolla, R., & Loureiro, S. M. C. (2014). Fans club brand relationship: football passion. *International Journal of Business and Globalisation 10*, 12(1), 82-97.

Flick, U. (2013). Introdução à metodologia de pesquisa: um guia para iniciantes. Penso Editora

- Loureiro, S. M. C. (2011, November). Consumers Love and Willingness to Sacrifice for a Brand. In Conference book Proceedings of ANZMAC conference-Marketing in the Age of Consumerism: Jekyll or Hyde (pp. 28-30).
- Loureiro, S.M.C. (2015). Loving and Hating Brands: Multiple Relationships between Consumers and Brands. In Hans-Ruediger Kaufmann (ed.). *Handbook of Research on Managing and Influencing Consumer Behaviour*, chapter 18, 417-438.
- Park, C. W., MacInnis, D. J., & Priester, J. R. (2006). Beyond attitudes: Attachment and consumer behavior. *Seoul National Journal*, 12(2), 3-36.

- Rahman, I., & Reynolds, D. (2016). Predicting green hotel behavioral intentions using a theory of environmental commitment and sacrifice for the environment. *International Journal of Hospitality Management*, 52, 107-116.
- Sánchez-Fernández, R., & Iniesta-Bonillo, M. Á. (2007). The concept of perceived value: a systematic review of the research. *Marketing theory*, 7(4), 427-451.
- United Nations Environment Programme. Division of Technology, & Economics. (2005). *Making tourism more sustainable: A guide for policy makers*. World Tourism Organization Publications.
- Williams, P., & Soutar, G. N. (2009). Value, satisfaction and behavioral intentions in an adventure tourism context. *Annals* of *Tourism Research*, 36(3), 413-438.

#### Tradition and Sacralization: When the Profane Aspects of a Street Fair Makes It Sacred

Marianny Silva, Federal University of Pernambuco (UFPE), Brazil Polyanna Do Nascimento, Federal University of Pernambuco (UFPE), Brazil Salomão De Farias, Federal University of Pernambuco (UFPE), Brazil

#### EXTENDED ABSTRACT

The street fairs are common in several cities in Brazil. They are culturally rich spaces and represent more than simple trades. They reveal the society dynamics at a given moment and are places of diverse experiences shared by consumers and other individuals that are part of them, being a crucial part of local economy (Zhang & Pelechrinis, 2016).

Despite being one of the most primitive forms of commerce, street fair still has elements not yet explored in the consumer behavior area, especially when the established approaches are analyzed. Among them, it's possible to emphasize the notion of sacred and profane that Belk, Wallendorf and Sherry Jr (1989) discussed in the sphere of consumption. They consider that consumed objects and experiences become sacred when bring unique, special, authentic and pleasure-related aspects. In the other hand, since this idea is a binary categorization, the profane in consumption involves common and routine products and actions.

This perspective helps to understand the deep consumption aspects in a street fair. Is it possible to categorize it as profane, because going to the fair is a common activity? Or sacred, since this kind of trade presents a historical and cultural relationship with the city and generates meanings for the people? These questions reinforce the need for studies that return to analyze the environments that are still little explored, such as street fairs. This article seeks to narrow this gap.

Among the street fairs in different Brazilian regions, the one with the most notoriety, size and diversity is Caruaru Fair, located in Pernambuco state. It has gained national notoriety since the middle of the last century and became in 2006 an immaterial cultural patrimony of the country by the Brazilian National Institute of Historical and Artistic Patrimony [IPHAN] (2006). Caruaru Fair is composed of several sectors, but the one that has always been functioning since the beginning of the fair in the 18th century is the Fruit and Vegetable Fair (Ferreira, 2001). It highlights the origins of Caruaru fair and what is more traditional in it. For this, it was chosen as research locus due to its symbolic contribution to its patrons.

Because it is considered an immaterial patrimony, it is assumed that Fruit and Vegetable Fair has sacred elements. Therefore, the purpose of this research is to discern which domains of the sacred are present on it, how the profane aspects interact with such sacredness and what process of sacralization has made this fair to be considered an immaterial patrimony of Brazil's rich culture.

#### THE STREET FAIRS

The street fair is described as a weekly street market modality that locally distributes food and other basic goods (Mascarenhas & Doilzani, 2008). It belongs to the marginal circuit of the economy, with low labor qualification and low technological level, having in its activities the purpose of subsistence (Santos, 1979).

Fairs represent the space of restructuring of the small farmer in face of large retail chains that suit the need for speed, so-called modern business models of society. With the emergence of these new formats of retail, the street fairs try to compete with establishments with greater hygiene, convenience, and that offer fresh products every day with convenience (Cazane, Machado, & Sampaio, 2014). However, as a rebellious daughter of modernity (Mascarenhas & Doilzani, 2008), the fair survives.

The economic significance of the street fair is expressed for vendors (they are the farmers too) as the main source of income and for consumers as a place to find goods at more affordable prices (Almeida & Pena, 2011). Besides the economic aspect, other elements (social, cultural and symbolic meanings) help in the continuity of this space of exchanges. As D'Angelo (2011, p. 22) states, the street fair "brings us back to the essential and offers food for body and for human desire: the encounter among colors, textures, people [...]; a sociability that feeds the senses and still goes to the table".

#### SACRED AND PROFANE CONSUMPTION

Belk, Wallendorf and Sherry Jr (1989) developed the notion of sacred as a characteristic not only found in the religious field, but also in various consumption contexts that involve expression rooted in cultural and symbolic values. In general, the sacred consumption involves different objects and actions treated with respect and reverence, taking people to transcend physical matter, leading them to an otherworldly experience (Celsi, 1992), signifying an individual's attempt to develop a deeper relationship with nature (Kunchamboo, Lee, & Brace-Govan, 2017).

The choice of the sacred object involves an emotional connection between the individual and the sacred thing (Tynan & McKechnie, 2006). On the other hand, profane consumption involves common activities and objects, which don't deserve prominence compared to other experiences in daily life (Belk, Wallendorf, & Sherry Jr., 1989). In practice, however, the boundaries between sacred and profane are already recognized as diffuse, existing places that combine sacred and profane elements (Higgins & Hamilton, 2011).

Domains as places, time, tangible things, intangible things, people and/or beings, and experiences may acquire profane or/and sacred characteristics by means processes such as rituals, pilgrimages, quintessence, gift given, collecting, objects or practices inheritance, and external sanction (Belk, Wallendorf, & Sherry Jr, 1989; Durayski & Fonseca, 2014). Two of them are especially related with tradition; they are: ritual and inheritance. They enable collective (re)creation and reinforcement of behaviors and identities through traditions, popular beliefs, eating habits, languages, festivities and various manifestations orally or gesturally transmitted (Müller, Amaral, & Pelaez, 2013).

#### METHODOLOGY CHOICE

Considering the locus investigated in this article, it was clear to use more naturalistic methods of data collection. This way it was used a qualitative research method, considering it the most appropriate for analysis and interpretation of social realities (Bloomberg & Volpe 2008). Observation and semi-structured interviews were used as data collection tools. Initially, two Saturdays (the day that the fair happens) of direct observation were carried out as a preliminary study in order to familiarize researchers with the phenomenon to be investigated (Theodorson & Theodorson, 1970). They were held in June 2014.

During the observation time, semi-structured interviews were performed with consumers who were walking the fair. Therefore, the researchers had an interview guide with a list of questions to

be asked related to the like for the fair, to the positive and negative points perceived by the consumer, but it was possible to follow up on interesting issues that appeared during the conversation.

In the first observation, ten consumers were interviewed; in the second, another seven. They were chosen randomly, during their purchases at Fruit and Vegetable Fair in Caruaru. The interviews were recorded with the aid of appropriate equipment and with the authorization of the participant. At the end we had 17 participants and a total of 192 minutes of interview.

After the data collection, interviews were transcribed and analyzed according to the Content Analysis, performing it based on three phases proposed by Bardin (2011); they are: 1) Pre-analysis, 2) exploration of the material and 3) Treatment of results, inference and interpretation.

#### ANALYSIS AND DISCUSSION

The three categories analyzed are: 1) profane aspects of the fair, including subcategories of product quality and variety, price and space hygiene; 2) sacred aspects of this place, encompassing time, place and experience; and 3) its processes of sacralization. The decision to have previously established the categories was based on the literature review and on the suggestions of Bardin (2011) when conducting content analysis.

#### **Profane Aspects**

In Caruaru Fair, purchase choices were associated with the ability to touch the fruits and vegetables offered in the tents. Consumers also smelled these items to ensure they carried the freshness necessary for their decision. Thus, the analyzed requisites emerged to measure the **quality** of goods. Consumers may use more time to choose products, resorting to their senses, going against the speed of modern times to which supermarkets fit (Santos, 1979).

Because the fair is considered a space for restructuring the small farmer, its products are viewed by some consumers as holders of "real farm freshness":

Here the quality is very good, because here is more who is from the countryside [...]. They plant, reap in their little farms and sell here (Informant 10).

Since products are seen as truly "rural goods", involving a low level of technology, fruits and vegetables have their qualities influenced by the season and by the harvest, in the opinion of other respondents.

The product is by season, right?! At the time, everything is good, but there is a season that it is weak (Informant 1).

The quality is variable. The choice of this fair is precisely because you have choice, it has variety (Informant 5).

As Informant 5 reveals, it's precisely this **variety** of products that makes the fair an environment rich in choices. With many tents placed in a single perimeter, consumers have the possibility of finding goods they want. Caruaru Fair "has everything" (Informant 9). So, variety impacts on the choice of this place for purchase.

This category invades the diffuse boundaries of the sacredness (Higgins & Hamilton, 2011). Caruaru Fair is described as a patrimony because of its variety. Therefore, the profane criterion considered for choosing the place of purchase also becomes a sacred element.

Informants also highlighted in their speeches the affordable **price** of the goods at this fair:

It's cheap! It is one of the main factors (Informant 16).

It doesn't compare to the supermarket. At the fair, goods are much cheaper (Informant 11).

In fact, prices at fairs are cheaper than prices of fruits and vegetables in supermarkets. This feature reinforces the economic significance of fairs in offering goods at more affordable prices (Almeida & Pena, 2011) in an attempt to survive in front of supermarkets (Mascarenhas & Dolzani, 2008).

The last category identified was the hygiene. Despite the diversity of tents and products, and the low price, peels and scraps of fruits and vegetables, and other dirt on the floor, are noticed by consumers. So, the lack of hygiene is highlighted as a negative factor of this activity:

[...] hygiene does not have, never had (Informant 4)!

I think this place isn't so clean, but we have to understand that it's fair (Informant 9).

The outdoor place where the fair takes place brings less amenities and hygiene when compared to the daily air-conditioned and organized supermarket (Cazane, Machado, & Sampaio, 2014). In fact, the problems encountered at fairs are often related to the poor hygienic-sanitary conditions of the marketing points (Alcântara & Kato, 2016). Even with this inadequate site, consumers recognize the difficulty of organizing in an open place, and turn their attention to the economic and symbolic importance of this trade for local people and little farmers.

#### Sacred Aspects

The consumer experience was held amidst of many tents covered by canvasses of various colors around the simple and rustic space of Fruit and Vegetable Fair. There, individuals walked quietly, analyzed the products and made their choices of consumption (Figure 1).



Figure 1. Consumers and vendors at Fruit and Vegetable Fair in Caruaru

Known as a place that sells everything, Caruaru Fair gained fame from the music sung by Luiz Gonzaga, characterizing it as a fair you feel pleasure to see because of its variety. Such variety made Caruaru Fair to be recognized by the world as immaterial patrimony of Brazil (IPHAN, 2006). Consumers who buy at this fair also consider it a patrimony, sacralizing it through their **unique experiences** of the variety that the fair offers:

> The variety is excellent, it has no way to compare with any other place. It's a patrimony, right (Informant 4)?!

This experience is also linked to the contemplation of the different forms of exchange, of the historical and cultural meanings; it doesn't mean something totally extraordinary, but contemplative (Carù & Cova, 2003). The mere fact of being at the fair refers to past experiences that bring with them two other categories sacralized by the consumers interviewed; they are place and time.

#### 146 / Tradition and Sacralization: When the Profane Aspects of a Street Fair Makes It Sacred

Although dirty, the fair environment is described as a sacred **place** that portrays the experiences of informants in this atmosphere during their childhoods:

My parents worked at this fair. I was very little and I was coming (Informant 10).

Good heavens! Ever since I can remember, I buy here, I come here (Informant 12).

Therefore, this space is associated with the identity of a social group (Dion & Borraz, 2015) because it's connected with a family practice of legitimate power that influences in the origin of the decision to buy at this fair. So, this activity in Fruit and Vegetable Fair of Caruaru represents an inheritance that is still practiced.

The **time** dimension permeates the other two dimensions already mentioned. This aspect reinforces that the sacredness of time is related with all domains described as sacred (Belk, Wallendorf & Sherry Jr., 1989). This time in Caruaru Fair is cyclic, occurring every Saturday, from the childhood of the interviewees to the present period.

Since 18 years ago I come to the fair. I already came with my parents (Informant 15).

I come to the fair every week. It's the only thing I wake up early. I got here it was still dark, I like fair (Informant 17)!

As the informant 17 points out, the time at the fair is pleasant. Since early in the day, vendors are ready in place to serve their customers. It's possible to bargain the price with producers and to contemplate their strategies to attract attention. For this, relationships between consumers and sellers are established amidst a regular period of purchase. These elements can be observed in the following quotes:

The difference here is the producers; they are more open to trading (Informant 12).

I always shop in the same places. I buy are precisely because of service, because of people who sell (Informant 13).

In this way, it is understood that consumers seek to arrive at this fair in time to find the best fruits and vegetables (profane aspects), but also to enjoy the experience of dealing directly with the producer of goods, to relive their childhood moments, and to feel a part of this patrimony that offers a great goods and tents diversity.

#### **Sacralization Processes**

Some ritualistic aspects were identified in the practice of these consumers at Caruaru Fair, such as the act of going to this place every week and of acquiring the products in the same vendors.

Despite these characteristics, it is not possible to categorize this consumption as a ritual, considering the inexistence of a set of exactly identical practices among all informants, an element pointed out by Rook (1985) as part of this activity. Some characteristics reveal a habit rather than a completely ritualistic process. In this context, the process of sacralization of consumption is inheritance, an activity also recognized by Belk, Wallendorf and Sherry Jr (1989) as responsible for the maintenance of the sacred.

This process makes the practice of going to the fair to be seen as a patrimony to be managed. This process of sacralization transfers the practice of shopping at the fair from father/mother to son/daughter worshiping memory and reaffirms a legacy. The discourses that support this process of sacralization can be observed in the previous section, where most of the informants revealed that they accompanied their parents during their childhood in this fair. This heritage associates the fair to a place that emanates the cultural tradition of the region and that offers a diversity of products that no other place can offer. It is part of the locals imaginary that needs to be preserved for the next generation.

All these results are summarized in Table 1:

Table 1.	Findings	of the	analysis	of catego	ries
	and	sub-ca	tegories		

	and sub-categories				
Categories	Sub-categories	Findings			
	Quality of goods	<ul> <li>Quality ascertained by touch and smell;</li> <li>Perception that products are truly rural goods and have the real farm freshness;</li> <li>The product quality offered depends on the harvest/season.</li> </ul>			
Profane Aspects	Variety	- The fair has varieties of price, quality and tents.			
	Price	- This fair offers goods at more affordable prices.			
	Hygiene	<ul> <li>Caruaru Fair is a dirty and disorganized space, without adequate structure and with precarious cleaning.</li> </ul>			
Sacred Aspects	Experience	<ul> <li>The profane aspect of variety is also sacred by the unique experience of consumers finding everything they desire in one place, creating a symbolic aspect from a utilitarian view;</li> <li>This experience is contemplative;</li> <li>Consumers can experience different forms of exchange, of the historical and cultural meanings in their purchases.</li> </ul>			
	Place	<ul><li>It portrays the experiences that informants lived in childhood in this fair;</li><li>Space associated with the identity of a group (family).</li></ul>			
	Time	<ul> <li>Time fair is cyclic, pleasant and connected to the place and experience.</li> <li>In this contemplative time, it's possible to establish a loyalty relationship between consumer and vendor.</li> </ul>			
Sacralization Process	Inheritance	<ul> <li>Practice of shopping at the fair is transferred from father to son.</li> <li>This heritage reaffirms a legacy and enables the continuation of a cultural practice based on tradition.</li> </ul>			

#### CONCLUSIONS

This paper aimed to identify the profane and sacred aspects of the Fruit and Vegetable Fair of Caruaru, Pernambuco, Brazil, their relations and the process of sacralization that makes this street fair an environment of purchase where the culture and tradition of the people emerges. In it, the boundaries of sacredness were diffused (Higgins & Hamilton, 2011), revealing that this place combines sacred and profane elements intertwined in the midst of the contemplative experience of consumption.

As revealed this research, individuals see Fruit and Vegetable Fair of Caruaru as a place sacred to the culture of a people; a patrimony built from generation to generation that, consequently, accompanied the development of the city. The fair has grown in size and the city of Caruaru as well. This study revealed this fair is sacralized by the inheritance of the habit of buying in this environment, by the memories and transferred and experienced learning from father/mother to son/ daughter, reinforcing the influence of culture and, consequently, of

the social group in consumer practices. This is Caruaru Fair, resistant to the problems of disorganization and hygiene, alive for its essence of marginal economy circuit, characterized by the affordable price and the deal directly with the farmer, and mainly, survivor by its tradition.

Although carried out in only one of the fairs that make up Caruaru Fair, this research highlighted a peculiar way of how consumers sacralize a consumption phenomenon, suggesting a contribution to this debate, reinforcing that there is space for the sacred in the everyday and supposedly mundane practices of consumption. For future research, it is suggested the applicability of this study in the other fairs that make up Caruaru Fair with the aim of perceiving whether sacrality is equally perceived, and if so, what domains and processes to make them sacred in these atmospheres.

#### REFERENCES

- Alcântara, Gisélia, and Kato Hellen (2016), "Good handling practices of fresh shrimp sold in street fairs of Belém, PA, Brazil," *Journal of Bioenergy and Food Science*, 3(3), 139-148.
- Almeida, Mirella, and Pena Paulo (2011), "Feira livre e risco de contaminação alimentar: estudo de abordagem etnográfica em Santo Amaro, Bahia," *Revista Baiana de Saúde Pública*, 35(1), 110-127.
- Bardin, Laurence (2011), "*Análise de Conteúdo*", (L. A. Reto & A. Pinheiro., Trans.). São Paulo: Edições 70.
- Belk, Russel, Wallendorf Melanie, and Sherry Jr John, (1989) "The Sacred and the Profane in Consumer Behavior: Theodicy on the Odyssey," *Journal of Consumer Research*, 16(1), 1-38.
- Bloomberg, Linda, and Volpe Marie (2008), "Completing your qualitative dissertation: a roadmap from beginning to end," Los Angeles: SAGE Publications.
- Carù, Antonella, and Cova Bernard (2003), "A critical approach to experiential consumption: fighting against the disappearance of contemplative time," 3rd International Critical Management Studies Conference, Lancaster University, July 7-9.
- Cazane, Ana, Machado João, and Sampaio Fábio (2014), "Análise das feiras livres como alternativa de distribuição de frutas, legumes e verduras," *Informe Gepec*, 18(1), 119-137.
- Celsi, Richard (1992), "Transcendent Benefits of High-Risk Sorts," Advances in Consumer Research, 19, 636-641.
- D'Angelo, Ana Cristina (2011), "Todas as feiras," *Revista Página* 22, 28-31.

Dion, Delphine, and Borraz Stéphane (2015), "Managing heritage brands: A study of the sacralization of heritage stores in the luxury industry," *Journal of Retailing and Consumer Services*, 22, 77-84.

Ferreira, José Euzébio (2001), "Ocupação humana do agreste pernambucano: uma abordagem antropológica para a história de Caruaru," João Pessoa: Edições FAFICA/Ideia.

Higgins, Leighanne, and Hamilton Kathy (2012), "Sacred places: an exploratory investigation of consuming pilgrimage," *Advances in Consumer Research, 38*, 262-267.

Instituto do Patrimônio Histórico e Artístico Nacional [IPHAN] (2006), "*Dossiê Feira de Caruaru*: inventário nacional de referência cultural". 2006. Recupered in 07 July, 2014 of http://portal.iphan.gov.br/baixaFcdAnexo.do?id=3221.

- Kunchamboo, Vimala, Lee Christina, and Brace-Govan Jan (2017), "Nature as extended-self: Sacred nature relationship and implications for responsible consumption behavior," *Journal* of Business Research, 74, 126–132.
- Mascarenhas, Gilmar, and Dolzani Miriam (2008), "Feira livre: territorialidade popular e cultura na metrópole contemporânea," *Ateliê Geográfico*, 2(2), 72-87.

Müller, Silvana, Amaral Fabiana, and Pelaez Nicole (2013), "Identidade Gastronômica: a extensão acadêmica na preservação dos Patrimônios Culturais," *Raízes e Rumos*, 1(2), 62-111.

Rook, Dennis (1985), "The ritual dimension of consumer behavior," *Journal of Consumer Research*, 12(3), 251-264.

Santos, Milton (1979), "O Espaço Dividido: os dois circuitos da economia urbana dos países subdesenvolvidos," Rio de Janeiro: F. Alves.

Theodorson, George, and Theodorson Achilles (1970), "A modern dictionary of sociology," London, Methuen.

Tynan, Caroline, and Mckechine Sally (2006), "Sacralising the profane: creating meaning with Christmas consumption in the UK," European Advances in Consumer Research, 7, 182-188.

Zhang, Ke, and Pelechrinis Konstantinos (2016), "Do Street Fairs Boost Local Businesses? A Quasi Experimental Analysis Using Social Network Data," In: Berendt B. et al. (eds) Machine Learning and Knowledge Discovery in Databases. ECML PKDD 2016. Lecture Notes in Computer Science, 9853.

### What are You Hungry For? An Analysis of Conditioning Stimuli of Meat-Eating Predisposition

Stephanie Barboza, Universidade Federal da Paraíba, Brazil Diana Carvalho, Universidade Federal da Paraíba, Brazil Adriana Bastos, Fundação Getulio Vargas, Brazil

#### EXTENDED ABSTRACT

The discussion on meat consumption has been the subject of international academic concern. A debate permeates both the relationship of consumers with the meat itself, as well as the treatment that the industry develops in the production and the treatment of the animals. Consequently, the world's demand for meat has fluctuated a lot, with a greater decline in times when health and animal health problems emerge, and end up achieving the credibility of this food (Miele, 2010).

The reduction of meat consumption and adherence to vegetarianism have been highlighted as food consumption practices arising from the rise of the discourse on the nutritional value of this food in the context of healthy diets. In addition, various studies have shown that consumer questions and consequent meat aversion stem from the impact on human health, from the moral concerns of the meat industry's treatment of animals, and from the negative externalities that affect the environment (Berdsen & Van der Pligt, 2005; Ruby & Heine, 2011).

This study aims to analyze the motivations of people for the reduction of meat consumption. For this, it was defined stimuli related to health, impact on the environment, suffering and animal rights, in order to explore influential behaviors in reducing this consumption.

To verify the stimuli that influence the reduction of meat consumption, a quantitative study was undertaken. A total of 179 online questionnaires were applied, in which the first part of the questionnaire had questions related to the attitude of the respondents regarding vegetarians, their attention in terms of food safety, general health concern, and concern with relative aspects to meat consumption, such scales were drawn from McCarthy's (2003) study. The second part of the questionnaire was composed of stimuli based on suffering, environment, animal rights and health to identify the likelihood of respondents to reduce meat consumption (Orsini, Barboza & Costa, 2015).

In order to analyze the data collected, Statistical Package for the Social Sciences (SPSS) was used for exploratory data analysis (descriptive measures analysis, Kruskal-Wallis test and ANOVA tests). Initially, we looked at the attitude of the respondents towards vegetarians, their attention in terms of food safety, general health concerns, and concerns about meat consumption.

All variables, excepting the 'possibility to stop eating meat' and 'likelihood of continuing to consume meat' (which are singleitem), were aggregated by the mean of the scores of the respondents weighted by the factorial score of the respective variables. Among the constructs, those who obtained, in average and quartiles, the highest values were 'health concern' (7.79) and 'food safety attention' (7.42). This indicates that respondents have a good level of concern about the safety of the foods they consume, certainly because of their health concerns (in effect, the two constructs have a good measure of association, as measured by Pearson's parametric correlation (0.595) and by the nonparametric Spearman (0.590)).

The mean values and the lowest quartiles values were observed in the construct 'possibility of stopping meat-eating' (3,62), in which it was revealed that the initial predisposition of the respondents (without having been presented to the stimuli of the four appeals of the study) to stop consuming meat is very small, reaching a moderate level only in the third quartile (that is, only 25% of the respondents). The other constructs obtained averages that indicated a moderate preoccupation with the consumption of meat, as well as a moderate appreciation for the vegetarians.

The initial questions were answered before we presented the respondent to the stimuli of the four appeals, along with the question about the possibility of stopping eating meat. We asked about the level of informative quality, the convincing power of the advertisement, and the use of a good central argument of all four stimuli announcements created in the study. By the obtained values, we conclude say that the advertisement that used the appeal of suffering, on average, was the best evaluated in terms of its informative quality, its convincing power, and the use of a good central argument.

The central hypothesis of our study concerned the likelihood of respondents being willing to continue to consume meat after being exposed to one of the four appeals exposed in the announcements. We sought to identify if there was any appeal that would diminish the person's intention to continue eating meat. For that, parametric analysis of variance (ANOVA) and non-parametric Kruskal-Wallis techniques were used, from which we extracted the descriptive measures as well as the reference measures in the tests to verify differences between groups.

According to the results presented in table 1, based on the tests (both with p-value> 0.05), we cannot reject the null hypothesis that there is equality in terms of probability of continuing to consume meat, regardless of the appeal to which the respondent was exposed. However, when we observed the magnitudes of the measures of position, there is a sign that those who responded to the health appeal were those that showed a greater tendency to continue to consume meat, by the arithmetic average, by the posts and by the median (second quartile).

 Table 1. Measures of the likelihood of continuing to consume meat\*

Anneal	Arithmetic	Average	Percentile		
Appeal	mean	of posts	25	50	75
Suffering	6,87	88,14	5,00	7,00	8,75
Environmental	6,66	86,48	5,00	7,00	9,00
Rights	6,64	88,22	5,00	7,00	10,0
Health	7,28	97,62	5,00	8,00	9,00

\*Tests: Kruskal-Wallis c<sup>2</sup>=1,287 (3 gl), p=0,732; ANOVA F=0,489 (3, 175 gl), p=0,690

In order to analyze the motivators of the practice of reducing meat consumption, it were selected some stimuli that present an impact relation on the probability of the individual continuing to eat meat. We believe that the knowledge generated in this study will collaborate to the exploration of influential behaviors in the reduction of this consumption.

Thus, the approach adopted contributes to the analysis of other studies on meat consumption, as well as new perspectives on the subject when developing groups that expose different consumption behaviors. It is desirable that this research be used in contexts of interlocution of the academic scope with the public agents and of social

impact. We propose as a suggestion the involvement of other statistical techniques and we recommend further improvement of sampling.

- Berndsen, M., & van der Pligt, J. (2005). Risks of meat: the relative impact of cognitive, affective and moral concerns. Appetite, 44(2), 195-205.
- McCarthy, M., de Boer, M., O'Reilly, S., & Cotter, L. (2003). Factors influencing intention to purchase beef in the Irish market. Meat Science, 65(3), 1071-1083.
- Miele, M., & Evans, A. (2010). When foods become animals: Ruminations on ethics and responsibility in care-full practices of consumption. Ethics, Place and Environment, 13(2), 171-190.
- Orsini, A. C. R., Barboza, S. I. S., & da Costa, F. J. (2015). Motivações Para Adoção de Comportamentos Favoráveis à Causa Animal: Um Estudo Experimental. Administração Pública e Gestão Social, 7(3), 158-167.
- Ruby, M. B., & Heine, S. J. (2011). Meat, morals, and masculinity. Appetite, 56(2), 447-450.

#### Patanjali Ayurved- The Guru and the Myth-Making

Bhupesh Manoharan, Indian Institute of Management Calcutta, Kolkata, India Krishanu Rakshit, Indian Institute of Management Calcutta, Kolkata, India

#### **EXTENDED ABSTRACT**

Myth-making is the process by which a fictional or artificial mythology is created around a product or brand. Marketing managers have often taken the route of myth-making to create idiosyncratic and competitively advantageous brand images (Johar, Holbrook, and Stern 2001) and endear themselves to their customers. Researchers (e.g. Hirschman 2000; Thompson 2004) point out that myths often serve specific ideological purposes.

The globalized world of today, contrary to the expectations of many has produced greater cultural heterogenization than homogeneity (Wilk 1998). Though globalization has resulted in hybridization of consumption practices in multiple contexts, for e.g. reterritorialization of American yoga (Coskuner-Balli and Ertimur 2015) and creolization of youth culture (Kjeldgaard and Askegaard 2006), in many places it has resulted in consumer resistance to global brands and preference to local alternatives (O'Guinn and Belk 1989; Varman and Belk 2009). In these emerging market contexts, consumers have tried to invoke nationalistic and religious myths to justify the anti-consumption of the global brands. Nationalistic passions have led many to invoke cultural myths to demonize the global players and project themselves as heroes who safeguard national interests (Izberk-Bilgin 2012). While prominent researchers had predicted that globalization would lead to a homogenous culture (Belk, 1995), others pointed out that the experiences have been at best mixed (Varman and Belk 2009; Izberk-Bilgin 2012). Even, Ger and Belk (1996) found the local responses to the globalization process is contextual and can be complex which may include returning to the local cultural roots, resisting the global culture, appropriating the global into the local or creolizing of the cultural thoughts resulting in a hybrid culture.

In India, the firm Patanjali Ayurved was founded by the yoga guru Swami Ramdev in 2006. Prior to the establishment of the firm, Baba Ramdev conducted yoga-shivirs (interactive camps) across multiple cities where he performed yoga on stage and taught yoga to his followers (Ghosh 2015). Soon, the number of followers grew and the firm started marketing its own branded consumer products through exclusive outlets. The firm claims to produce most of its products in-house at the Patanjali Food and Herbal Park at Haridwar (North India) operated and managed by Patanjali Ayurved. Swami Ramdev also oversees the Patanjali Yog Peeth and the Bharat (India) Swabhimaan (Self-Respect) Trust, both of which claim grow many endangered herbs on its farmland, thereby reviving the indigenous species and protecting them from extinction (Acharya 2015). Apart from Patanjali Ayurved, Ramdev also the pioneering person of Bharat Swabhimaan Movement in 2009 and Anti-Corruption Movement in 2010 arousing nationalist feeling among the masses (Ghosh 2015).

We used qualitative methods to understand the myth-making of Patanjali brand. The data for the research work was collected between May and December 2016; from both primary and secondary sources. One of the researchers participated in 2 yoga-shivirs (camps) conducted by Baba Ramdev directly and observed the Swami Ramdev and his consumers. Further eight (8) interviews with the sales persons of Patanjali Ayurved products and 25 in-depth interviews (1-2 hours each) were conducted with consumers of Patanjali products.

We explored the process by which marketplace mythology was constructed around an Indian herbal brand Patanjali Ayurved. Our

findings suggest that yoga guru Ramdev revived the ancient Indian archetype of the Guru-Shishya to establish a relationship between himself and his disciples/consumers. We also found how the process of "denaturalization" was used to demystify the MNC brands in India. We define denaturalization as the process of making something unnatural or alien. Our data indicated that denaturalization of the foreign brands happens at three levels material/physical, cultural and the national level. However, the most important contribution of the brand was to unfurl an alternative mythology constructed by "mystifying" the herbal and connecting it to the somatic-psycho and cultural identity among his predominantly Indian consumers. By emerging as the most influential proponent of "herbal" or "ayurvedic" products, Swami Ramdev has through his congregations created a discourse to link the herbal/ayurvedic way of life to the mythical golden age. Further by linking the human body to the nation's polity and through his spiritual appeal, he has created a mythology that consumption of the herbal (Patanjali products) will lead India resurrect its golden past.

- Acharya, N. (2015). "Ramdev turns his Ayurved enterprise into an FMCG empire," *Business Standard*, (June 28).
- Belk, R. W. (1995). *Collecting in a consumer society* (Vol. 1). Psychology Press. Chica
- Coskuner-Balli, G., & Ertimur, B. (2015). Creating Hybridity: the Case of American Yoga. *NA-Advances in Consumer Research Volume 43*.
- Ger, G., & Belk, R. W. (1996). I'd like to buy the world a coke: Consumptionscapes of the "less affluent world". *Journal of consumer policy*, 19(3), 271-304.
- Ghosh, A. (2015). "Baba Ramdev's Business Empire Soars, With His Own Rising Profile," *Huffington Post* (January 13)
- Hirschman, E. (2000). Heroes, monsters & messiahs: Movies and television shows as the mythology of American culture. Andrews McMeel Publishing.
- Izberk-Bilgin, E. (2012). Infidel brands: unveiling alternative meanings of global brands at the nexus of globalization, consumer culture, and Islamism. *Journal of Consumer Research*, 39(4), 663-687.
- Johar, G. V., Holbrook, M. B., & Stern, B. B. (2001). The role of myth in creative advertising design: Theory, process and outcome. *Journal of Advertising*, 30(2), 1-25.
- Kjeldgaard, D., & Askegaard, S. (2006). The glocalization of youth culture: The global youth segment as structures of common difference. *Journal of Consumer Research*, 33(2), 231-247.
- O'Guinn, T. C., & Belk, R. W. (1989). Heaven on earth: consumption at Heritage Village, USA. *Journal of Consumer Research*, *16*(2), 227-238.
- Thompson, C. J. (2004). Marketplace mythology and discourses of power. *Journal of consumer research*, *31*(1), 162-180.
- Varman, R., & Belk, R. W. (2009). Nationalism and ideology in an anticonsumption movement. *Journal of consumer research*, 36(4), 686-700.
- Wilk, R. (1995). Learning to be local in Belize: global systems of common difference. Worlds apart: Modernity through the prism of the local, 110-33.

#### "Pay What You Want" Pricing: A Strategy for Integrating the Bottom of the Pyramid?

P. Sergius Koku, Florida Atlantic University, USA

#### EXTENDED ABSTRACT

In spite of being the subject of numerous studies, marketers' understanding of price with regard to how it is perceived, interpreted and used by consumers is far from complete (Dickson and Sawyer, 1990). The "pay what you want" approach in which instead of the seller offering the product (good or services) for a posted price, buyers are free to pay what they think the product is worth is now gaining attention from practitioners and academics as evidenced in recent research interests in the area. However, thus far, academic efforts on the PWYW pricing scheme have only focused on those who have the means (purchasing power) to purchase, as such the primary research issues have revolved around price fairness and its associated topics of distributive justice (Laczniak and Santos, 2011), and the examination of issues such as whether consumers exploit the PWYW scheme and take advantage of sellers (Jang and Chu, 2012), or whether buyers as economic agents behave opportunistically (Holmstron, 1979; Camerer, 1995; Camerer and Thaler, 1997; Reynolds and Harris, 2005)? I argue that extending studies on the PWYW as a pricing mechanism that brings into the mainstream of commerce, those who have been "traditionally" marginalized (at the bottom of the pyramid) could make a significant contribution to both society and our knowledge base. To this end, the objective of this study is to examine how those who live at the bottom of the pyramid in developing countries perceive the PWYW pricing scheme.

An exploratory focus group study which consisted of ten adults (five men and five women) between the ages of 35 to 60 was conducted. The participants resided in an area known to be occupied by people living on the fringes of society in the capital city Ghana, a progressive country in West Africa. All the participants "work" in some form or the other, but earn what can be best described as "precarious living". For example, two of the women work as hair braiders, but earn less than two dollars per day. One sells cooked rice and beans by the roadside to laborers while the fourth and fifth sell fruits, also by the roadside. Two of the five men work as farmers who earn their living by selling what they grow. One is a carpenter of sort who earns a living by selling small chairs (known as stools) that he makes, the fourth works as a day laborer, and the fifth works as a "watchman".

The preliminary content analysis of the data shows that the participants seemed confused by the PWYW pricing scheme. They did not believe that a seller would voluntarily defer to buyers to pay what they wanted. The participants wanted to know whether the seller was sponsored by a foreign charity organization. Furthermore, they did not believe that a seller of a good quality product of any kind will use the PWYW pricing scheme. According to Robert (a fifty year old who works as a watchman), "We know that we will always get what we pay for. Low quality products are sold at low prices", and Abena, a 35-year old female who sells fruits believes that buyers who do not pay a fair price in the PWYW will be punished by God. This position was shared by all the participants including the men who participated in a separate study. These preliminary results which warrant further analysis suggest a more expansive study that includes the role of culture and belief systems in the operations of PWYW pricing scheme in developing countries.

- Camerer, C. F. & Thaler, R. H. (1995), "Ultimatums, Dictators, and Manners," *Journal of Economic Perspectives*, 9 (2), 209–219.
- Camerer, C. (1997), "Progress in Behavioral Game Theory," Journal of Economic Perspectives, 11 (4), 167–188.
- Cox, D., Cox, A. D., & Moschis, G. P. (1990), "When Consumer Behavior Goes Bad: An Investigation of Adolescent Shoplifting," *Journal of Consumer Research*, 17 (2), 149–159. Dickson, P. R. & Sawyer, A. G (1990), "The Price Knowledge and Search of Supermarket Shoppers", *Journal of Marketing*, Vol. 54 (3), pp. 42-53.
- Hölmstrom, B. (1979), "Moral Hazard and Observability," *The Bell Journal of Economics*, 10 (1), 74–91.
- Jang, H. & Chu, W. (2012), "Are Consumers Acting Fairly Toward Companies? An Examination of Pay-What-You-Want Pricing", *Journal of Macromarketing*, 32 (4), 348-360.
- Laczniak, G. R. & Santos, N. J. C. (2011), "The Integrative Justice Model for Marketing to the Poor: An Extension of the S-D Logic to the Distributive Justice", *Journal of Macromarketing*, 31 (2), 135-147.
- Reynolds, K. L & Harris L. C. (2005), "When Service Failure is not Service Failure: An Exploration of the Types and Motives of "Illegitimate" Customer Complaining," *Journal of Services Marketing*, 19 (5), 321–335.

#### Sex Differences in Customer Retaliatory Behaviors: The Role of Oxytocin?

Lilian Soares Pereira Carvalho, Saint Paul Business School, Brazil Gad Saad, Concordia University, Canada

#### **EXTENDED ABSTRACT**

Customer retaliation is meant to punish a firm for perceived grievances (Grégoire & Fisher, 2008), a topic of much practical importance and yet that is understudied in marketing journals (Grégoire & Fisher, 2006, 2008). Customer advocacy websites and online protection agencies are usual outlets for retaliation from dissatisfied customers. The economic impact of dissatisfied customers is quite substantial, as a one star increase in yelp.com ratings leads to a 5 to 9% increase in revenue (Luca, 2011).

Grégoire and Fisher (2006) propose that following a service failure a customer can restore the balance of the relationship either by demanding reparation from the firm or by retaliating against it. Retaliation has a negative connotation and is defined as "a customer's effort to punish and make a service firm pay for the damages it has caused" (Grégoire & Fisher, 2006, p. 32).

In the current work, we focus on sex differences in retaliatory behaviors but more generally on its potential hormonal driver as captured by oxytocin colloquially referred to as the "love hormone." Of note, this hormone has greater neural effect on women, as it helps lactation and facilitates attachment with offspring (Ellenbogen et al., 2012; Kosfeld et al., 2005; Young & Alexander, 2012). Breastfeeding women serve as a group of particular interest when studying the effects of oxytocin, as they are under its influence. Breastfeeding significantly alters the physiology and the psyche of women (Dermer, 1998). It is a common practice and according to the World Health Organization (2014), 40% of Brazilian, 14,4% of Canadian and 14% of American women (the selected sample for this study) exclusively breastfeed their children until 6 months of age. Dermer (1998) adds that breastfeeding increases women's self-confidence and reduces their responses to stress. For firms that specialize in baby products or maternal care it is important to know whether or not breastfeeding can affect their customers' behaviors. More generally though, firms stand to benefit in knowing the role that hormones play in the consumer setting. As it stands, very little research has examined the effects of oxytocin in the marketing or economic arena (but see Zak, 2011 for an exploration of how participants who were administered oxytocin were less prone to punish a partner after trust violation during an economic game).

#### METHODOLOGY AND FINDINGS

This research explores the effects of oxytocin on retaliatory behaviors using breastfeeding women as a "proxy" manipulation since they are under the influence of oxytocin due to lactation. Participants with this profile were recruited via Facebook groups that support breastfeeding and/or deal with motherhood in Brazil, Canada and United States of America. Furthermore, an online platform similar to Amazon's Mechanical Turk, Crowdflower (Crowdflower, 2014) was used to collect data from participants originating from the same three countries.

We recruited 362 participants. After excluding missing values and following the Norwegian Social Sciences Data Services (2013) protocol for excluding repeated measures (if more than 80% of the answers of a given participant were the same, this data were excluded), the final sample consisted of 196 participants, of which 36 were breastfeeding women (BF), 59 were women (W) who were not breastfeeding when they took the survey, and 101 men. Using a scenario-based vignette (Rungtusanatham, Wallin & Eckerd, 2011) we tested if there were any differences in retaliatory behaviors between these three groups. The vignette described a scenario in which the participant had a long-term relationship with a bank and one of its account managers. After the birth of his/her child, he/she asked the account manager for advice regarding the child's education fund. The manager suggested a supposed guaranteed investment of \$10,000, subsequent to which the participant trusted the advice in question. But after one month, the participant and his/her spouse found out that all the money had been lost.

Using previous work from Grégoire and Fisher (2006, 2008) we selected seven measures to capture the multifaceted components of retaliatory behavior. The attitudinal measures were: desire for retaliation (6 items, e.g., indicate to which extent you would want to do something to the organization), patronage reduction (4 items, e.g., indicate to which extent you would want to spend less money in this business), negative word-of-mouth (3 items, e.g., indicate to which extent you would want to denigrate this organization to friends), and third party complaining (3 items, e.g., indicate to which extent you would want to take legal action against the firm). The emotional measures were: perceived betrayal (5 items, e.g., through the service failure I felt cheated), dissatisfaction (3 items, e.g., through the service failure I felt displeased), and anger (3 items, e.g., through the service failure I felt outraged). Scale end points ranged from 1 = strongly disagree to 7 = strongly agree. We conducted a one-way ANOVA to check for differences between the three groups. Table 1 summarizes the findings.

Table 1. Results

	Cronbach's	Mean	Mean	Mean	
Measures	Alpha	(BF)	(W)	(Men)	P-value
Attitudinal					
Desire for retaliation	0.887	3.33	3.88	4.03	0.037*
Patronage Reduction	0.806	5.73	5.37	4.93	0.006*
Negative WOM	0.808	4.80	4.86	4.39	0.108
Third Party Complaining	0.789	3.50	3.76	3.78	0.647
Emotional					
Perceived Betrayal	0.882	5.35	5.19	4.53	0.001*
Dissatisfaction	0.919	6.11	5.53	4.81	0.000*
Anger	0.872	4.50	5.20	4.61	0.016*

The Bonferroni method revealed that breastfeeding women are less prone to retaliate than men even though the vignette recounted financial harm to their children. On the other hand, they had greater means than men for patronage reduction, perceived betrayal, and dissatisfaction. Oxytocin may lead breastfeeding women to adopt a flight instead of a fight strategy (Taylor et al, 2000) when facing a service failure, as their strategy is to adopt an "indirect" strategy (patronage reduction) instead of retaliating directly as was the case for men. Anger was the sole variable that yielded a difference between the two groups of women (lesser for breastfeeding women). This suggests that the "proxy" manipulation for oxytocin was perhaps not very successful. The oxytocin effect could be more accurately and directly tested in a more controlled environment. Accordingly the next step is to conduct a laboratory experiment in which we will present a series of vignettes to participants, whilst also administering intranasal oxytocin in a double-blind manner, as has been done by

Ellenbogen et al. (2012), Kosfeld et al. (2005), and Zak (2011), in order to explore a possible causal relationship between oxytocin and retaliatory behaviors.

#### REFERENCES

- Crowdflower (2014). *The leading people-powered data enrichment platform*. Retrieved on July 10th, 2014, from: < <u>http://www.</u> <u>crowdflower.com/</u>>.
- Dermer, A. (1998). Breastfeeding and women's health. *Journal of Women's Health*, 7(4), 427–433.
- Ellenbogen, M. A., Linnen, A. M., Grumet, R., Cardoso, C., & Joober, R. (2012). The acute effects of intranasal oxytocin on automatic and effortful attentional shifting to emotional faces. *Psychophysiology*, 49(1), 128–137.
- Grégoire, Y., & Fisher, R. J. (2006). The effects of relationship quality on customer retaliation. *Marketing Letters*, *17*(1), 31–46.
- Grégoire, Y., & Fisher, R. J. (2008). Customer betrayal and retaliation: when your best customers become your worst enemies. *Journal of the Academy of Marketing Science*, 36(2), 247–261.
- Kosfeld, M., Heinrichs, M., Zak, P. J., Fischbacher, U., & Fehr, E. (2005). Oxytocin increases trust in humans. *Nature*, 435(7042), 673–676.
- Luca, M. (2011). Reviews, reputation, and revenue: The case of Yelp.com (No. 12-016). Harvard Business School.
- Norwegian Social Sciences Data Services (2013). *First round of preparation, cleaning and recoding*. Retrieved on May 1<sup>st</sup>, 2013, from: <<u>http://essedunet.nsd.uib.no/cms/topics/1/4/2</u>. <u>html</u>>.
- Rungtusanatham, M., Wallin, C., & Eckerd, S. (2011). The vignette in a scenario-based role-playing experiment. *Journal of Supply Chain Management*, 47(3), 9–16.
- Taylor, S. E., Klein, L. C., Lewis, B. P., Gruenewald, T. L., Gurung, R. A. R., & Updegraff, J. A. (2000). Biobehavioral responses to stress in females: tend-and-befriend, not fight-orflight. *Psychological review*, 107(3), 411–429.
- World Health Organization (2014). *Infant and Young Child Feeding* Data by Country. Retrieved on August 20<sup>th</sup>, 2014, from: <u>http://</u> www.who.int/nutrition/databases/infantfeeding/countries/en/.
- Young, L., & Alexander, B. (2012). *The chemistry between us: Love, sex, and the science of attraction*. Penguin.
- Zak, P. J. (2011). The physiology of moral sentiments. *Journal of Economic Behavior & Organization*, 77(1), 53–65.

#### APPENDIX

Scales used in the survey (Grégoire & Fisher, 2006, 2008)

**1.** Attitudinal Measures: Indicate to which extent you would want (scale end points: 1 = strongly disagree to 7 = strongly agree)

#### *1a. Desire for Retaliation*

- To do something to the organization
- · To take actions to get the organization in trouble
- · To cause inconvenience to the organization
- To punish the organization in some way
- To make the organization get what it deserves
- To get even with the organization

#### 1b. Patronage Reduction

- To spend less money at this business
- To stop doing business with this firm
- To reduce the frequency of interaction with the firm
- To bring a significant part of my business to a competitor.

#### Ic. Negative Word-of-Mouth

- To spread a negative word-of-mouth about the organization
- · To denigrate this organization to friends
- To tell my friends to not do business with this firm, when they are looking for a similar service

#### 1d. Third Party Complaining

- To take legal action against the firm
- · To report their behavior to a consumer governmental agency
- To contact the media to denounce their behaviors.

**2. Emotional Measures**: Through the service fail I felt (scale end points: 1 = strongly disagree to 7 = strongly agree)

#### 2a. Perceived betrayal

- Cheated
- Betrayed
- Lied to
- The bank did not intend to take advantage of me. (Reverse)
- The bank tried to abuse me

#### 2b. Dissatisfaction

- Dissatisfied
- Displeased
- Discontented

2c. Anger

Outraged

- Resentful
- Angry

#### From Consumption to Meaning: How Fans Consume Star Trek in Brazil

Franciani F. Galvão, Universidade Estadual de Maringá, Brasil Luciano Mota, Universidade Estadual de Maringá, Brasil Olga Maria C. Pépece, Universidade Estadual de Maringá, Brasil

#### **EXTENDED ABSTRACT**

In recent years, research with a focus on fans and fandoms has expanded, revealing important cultural character in societies that study contemporary social behavior. Fan culture or fan subculture refers to members belonging to a particular group with likes and predilections of fiction and fantasy products and texts, engaging in productive activities that result in the creation of new 'texts' (events, books, discussions, drawings, movies, etc.) of object consumption (Kozinets, 1997). Star Trek is one of the great consumer phenomena, the most successful and lucrative *Cult phenomenon* in the history of television (Kozinets, 2001), is the central figure in American culture since the 1960s, crosses cultural boundaries and has a highly complex fan culture (Frazetti, 2011), and is one of the main icons of *pop culture* of the twentieth century.

Therefore, this research studies the subculture trekkie, fans of the "Star Trek system" or "Universe Star Trek" (Kozinets, 2001), because it is a group that surpasses other fandoms of *pop culture* in terms of depth and breadth of official and not official creations (Frazetti, 2011). Understanding that the meanings of consumption can be constructed differently by subgroups of consumption, we seek to investigate how the meaning of consumption related to Star Trek is given by the group of editors of the site Trek Brasilis, with the application of the theory of Metaphors of Consumption of Holt (1995). The theory conceived by Douglas Holt (1995), the Metaphor of Consumption, describes four currents of research that portray how consumers buy, divided in: Consumption as experience, Consumption as integration, Consumption as classification and Consumption as play.

About the method, is a qualitative research with a descriptive character, Holt's (1995) consumption metaphor was applied as a basic theory, adapting the Kozinets (1997), questionnaire data collection was carried out by the application of self-filled digital questionnaire and interview by Phone with four editors of the site, from 20 open questions. From the Star Trek sites in Brazil, Trekbrasilis, the largest, most important and traditional online communication vehicle dedicated to the Star Trek phenomenon in Portuguese (Trek Brasilis, 2015) was found. The content analysis proposed by Bardin (2006) was used.

The results point to fans aged between 36 and 55, men, married, with and without children, family income of more than 10 minimum wages, full undergraduate and specialization, in the professions of Journalism, Systems Analysis, Judicial Analysis and Engineering. By classifying them according to Holt's metaphors, the results are shown in Figure 1:

	Purpose	Purpose of Action		
	Autotelic actions	Instrumental Actions		
	Consumption as	Consumption		
Action	Experience: Online	as integration:		
Objects	shopping; Purchase that	representatives of Star Trek		
	gives positive satisfaction	by Trek Brasilis		
	Consumption as games	Consumption as		
seek immersion in the Star		classification: Trek brasilis		
		is the reference; Group		
		without internal distinction		
	Objects Interpersonal action	Autotelic actions       Action Objects     Consumption as Experience: Online shopping; Purchase that gives positive satisfaction       Interpersonal action     Consumption as game: seek immersion in the Star Trek Universe		

Figure 1. Metaphors of Consumption of the Star Trek Universe Fonte: Search results.

The metaphors identify the 'integration' by which consumers improve the perception of a consume object as a constituent element of their identity, and facilitates the symbolic use of this object or group of objects (Reading and Jenkins, 2015). This research contributes to a better understanding of the behavior of new fan consumption subcultures, since the entertainment industry has grown exponentially in recent years.

The results compose with previous researches, pointing to similar results with fans of the Star Trek universe, with different profiles, being intellectualized people from the area of exact and human sciences with a high socioeconomic level. They point out that today the experience with the consumption takes place of online form, in search of positive reward with the acquisition; don't existing consumption as internal or external classification, as they are represented by the site Trek brasilis; The integration occurs by the representation of the site and not of the components, the site is the mechanism of integration and; The participation is given by the defense of the Star Trek universe, however the immersion by means of games does not occur.

It is noticed that the consumption of the Star Trek universe, is not only an end in itself, but a form of expression of the identity of the fan, apprehended like philosophy of life that goes beyond the own consumption of the products. The fans consume the idealization of the perception of humanity conceived by Gene Rondenberry, and as Robert Kozinets says: "Star Trek's philosophy is more than a merchandise", Star Trek is our way of living!

#### REFERENCES

Bardin, L. (2006). Análise de conteúdo. Lisboa: Edições70.

- Frazetti, Daryl G. (2011). *The culture of Trek fandom*: wouldn't you like to be a trekkie too? Disponível em: < www.academia. edu/461218/Results\_Star\_Trek\_Fandom\_Survey>. Acesso em: jan. 2016.
- Holt, Douglas B. (1995). How consumers consume: a typology of consumption practices. *Journal of Consumer Research*, 22(1-June), 1-16. doi: 10.1086/209431
- Kozinets, Robert V. (1997). TO BOLDLY Go: A Hypermodern Ethnographyof Star Trek @ Fins' Culture and Communities of Consumption. Thesis submitted to The Scbool of Business in conformity with the requirements for the degree of a Doctor of Philosophy Queen's University, Kingston, Ontario, Canada, July.
- Kozinets, Robert V. (2001). Utopian Enterprise: Articulating the Meanings of *Star Trek*'s Culture of Consumption. *Journal of Consumer Research*. Vol. 28, No. 1 (June 2001), pp. 67-88.
- Reading, A. & Jenkins, R. (2015). Transportation to a World of Fantasy: Consumer Experiences of Fictional Brands Becoming Real, *Journal of Promotional Communications*, 3 (1), 154-173.
- Trek Brasilis. (2015). *Sobre o TB*. Disponível em: <a href="http://www.trekbrasilis.org/sobre-o-tb/">http://www.trekbrasilis.org/sobre-o-tb/</a>. Acesso em: Dez 2015.

### Online Brand Content Sharing on Social Networks – An Experiment Assessing the Role of Emotions on News and Advertising Online Sharing

Wilian R. Feitosa, IFSP, Brazil

Delane Botelho, Fundação Getulio Vargas, Brazil

#### EXTENDED ABSTRACT

Content sharing is a way to exchange information, as is the case with spoken language. This can also be referred to as word-of-mouth (WOM) communication, which is a term used in marketing literature to describe interpersonal communication about a specific subject, product, person, and/or idea (Berger 2014). All WOM communication involves the sharing of information. Belk (2010) conceptualized sharing in a broader manner, to encompass the allocation of resources in a non-reciprocal way, in which payment is irrelevant, and there is an expression of love and affection from those who share to those receiving the message, which suggests an altruistic bias. This differs from the direct exchange of goods or the provision of gifts, because, in these acts, reciprocity is expected (Belk 2010). On the other hand, some authors have highlighted a selfish bias, and shown that sharing by an individual - whether this relates to goods or ideas - generates (i) indirect economic gains, such as broadcasting to the world the sharer's personality or making them appear in a more positive light to others (Berger 2014; Hennig-Thurau, Gwinner, Walsh and Gremler 2004; Sundaram, Kaushik and Webster 1998); (ii) creation of weak ties and maintenance of strong ones (Goldenberg, Libai and Muller 2001; Granovetter 1973); and (iii) formation of connections, reliable relationships, and social capital (Putnam 2000). Social media facilitates information sharing with large groups, but most of this sharing is done offline. However, it remains unclear what leads people to share content that is emotionally charged. People share and pass along information to one another to, for example, reduce anxiety (Sundaram et al., 1998) or to deal with negative feelings (Hennig-Thurau et al., 2004). Thus, sharing has an intrinsic relationship with emotions felt by the sharer. Emotions have been investigated in marketing (Bagozzi et al., 1999) in terms of their impact on customer satisfaction with the use of goods and services (Ladhari 2007; White 2010) and consumers' intention to share; and their influence on social interactions in general, since emotion conveyed by one person can lead to a desired reaction in another (Andrade and Ho 2009). The main goal of this paper is to evaluate the emotional determinants of online content sharing about brands by consumers.

#### THEORETICAL BACKGROUND

Virtual social networks are environments in which online sharing occurs. Content shared may comprise personal perceptions, opinions, photos of the sharer and the places where they have been, or videos and promotional material posted by businesses (Porter and Golan 2006). Content that is shared by many people is referred to as "viral," in reference to way in which a virus disseminates through environment until it reaches an entire population. This "viralization" is therefore result of sharing. This is because it reduces marginal costs of relaying a message, as (i) there are many "issuers" of the information (any user in a network can potentially re-share content that is of interest to ]company), and/or (ii) it increases the relevance of the company in online searches, making the firm more discoverable on the Web. Possible consequences of this include a reduction in customer-acquisition cost, increased sales conversions (where online or not), and lead generation. Viral content usually comes in the form of videos, especially humor, music, or opinion pieces, for example user empathy with content; shame for users who have done socially considered social unacceptable; focus on controversial is sues; and use of obscene, ironic, or poor-taste humor, or content that was offensive to a certain society group. Tucker (2015) pointed out the existence of a negative relationship between viral content and the persuasion power of online advertisements, especially in videos containing humor or visual appeal. More specifically, by analyzing a database of 400 advertisements in the form of online videos, and measuring persuasion through questionnaires, Tucker (2015) found that the more overtly persuasive video was, the fewer views it had. On the other hand, more persuasive and exciting videos, which also generated a large number of comments, were similarly highly shared. For example, Dobele, Lindgreen, Beverland, Vanhamme, and Wijk (2007) indicated that content that generates surprise, combined with emotions such as disgust, anger, fear, sadness, or joy, tends to go viral more often. Berger (2014) and Dobele et al. (2007) specified that emotions generated by content can lead individuals to share it: more intense emotions - that is, those that generate more arousal - increase chances that individuals will spread the word. Miniero, Rurale and Addis (2014) corroborate this on hedonic, arts and cultural experiences. Baumeister, Blatslavsky, Finkenauer, and Vohls (2001) found that people feel negative emotions more intensely than positive ones. Thus, two hypotheses are formulated here:

- *Hypothesis 1:* Content with positive valence generates a higher likelihood of sharing compared to that with negative valence.
- *Hypothesis 2:* Content that generates high arousal has a higher likelihood of being shared compared to that generating low arousal.

Berger (2013) additionally found that a perception that content has practical usefulness can also lead individuals to share it. Warnings, alerts, or content containing unfavorable reviews should be seen as more useful than greetings or compliments, given that negative content is rarer and can lead individuals to be identified as having deep knowledge of a subject. Ho and Dempsey (2010) also showed that usefulness is relevant to determine which content is more likely to be shared, and that higher-usefulness content is more sharable by individualistic people or by those who want to help others, since both groups share to seek inclusion, affection, and control. This means that sharing content with usefulness value can demonstrate altruism and improve the image of those who share it. It can also help others to reduce risk and search time for information, and support their decisions (Hennig-Thurau et al. 2004; Sundaram et al. 1998). In other words, useful content can help others, which leads to the sharing of content containing this feature. Examples of this may include content that aims to prevent diseases by reducing the consumption of certain products; notices of store promotions; or communications regarding a company's poor customer service. However, the human tendency to pursue pleasure also leads to the sharing of other types of content, such as humor, music, and positive messages. A moment of pleasure can be as useful to others as a news story related to health, or one that generates economic benefits (Guerin and Miyazaki 2006, Yang and Wang 2015, Miniero, Rurale and Addis 2014). Sibona (2014), for example, found that people who are most excluded from friendly connections in online social networks are those who post content considered as being of little or no importance to those who exclude them. Therefore, usefulness appears to be subjective, and its lack can lead to extreme actions, such as interrupting a friendship. Also, usefulness of content may depend on its valence. Negative-valence content generates greater emotional impact, is processed more slowly (Ahluwalia 2002; Baumeister et al. 2001; Wang et al. 2009), and can express care for the recipient, and the content is then considered as more trustworthy and accurate (Sen and Lerman 2007). Positivevalence content is more common (De Angelis et al. 2012; East et al. 2007, East et al. 2008) and therefore may be less useful. Chen and Lurie (2013) found empirically that negative evaluations on restaurant review sites have higher perceived value for those who read them than positive reviews, as positive assessments tend to generate suspicion that the views of the person writing the evaluation are unreliable. The generates the following hypothesis:

*Hypothesis 3:* Negative-valence content has greater usefulness than positive-valence content.

#### **METHOD**

The study involves a factorial 2 (ads vs. news) x 2 (positive vs. negative valence) design. The experiment used an between-subjects approach, with respondents randomly allocated by means of a draw via software to one of four scenarios with different simulated contents.

Data was collected from October 1 to November 22, 2013, using the convenience sampling method. A total of 718 e-mails were sent to undergraduate students in São Paulo, Brazil. It resulted in a total of 157 responses; i.e. a 21.8% response rate. The dependent variables and scales used in this experiment are the following: (i) Likelihood of sharing online; (ii) Likelihood of sharing offline;(iii) usefulness; (iv) Arousal.

The independent variables used in this experiment are I) Emotional valence, manipulated as positive or negative; and ii) Format, manipulated as advertisements or news. The experiment used an initial database of 272 posts identified as comprising content that could meet the experiment's goal. Thus, these posts consisted of a set of advertising campaigns on social networks, with different valences, which had the purpose of stimulating or inhibiting the consumption of different products or services. Manipulation was needed due to the choice to use positive and negative content in different formats: advertisements and news. The same brand was chosen: Coca-Cola. The choice was made based on both the availability of the pre-tested material (news and advertisements), as well as brand recognition. While the news content had been created by newspapers and reproduced on social networks, the advertisements were developed by users of social networks: the positive by a fan, which was later posted to the official account of the brand on a social network, and the negative by an activist opposed to the brand, and relayed on the network. All content was adapted in order to make it suitable for the experiment, and tested on marketing experts. The adaptation involved the scaling of text and processing of image quality. These four scenarios are: I) a positive ad: based on an ad made by a Coca-cola supporter, on Instagram social network, and retransmitted by the Coca-cola account - a little dog asks, inside a Coca-Cola can: "Did you like my new house? Coca-Cola says, after:"Lunch tastes better when it has Coca Cola. Open happiness"; II) a negative ad: based on an ad made by an activist against junk food, and published in social networks, a Coca-Cola Zero can appears with these written on it: "The more you avoid soda, the better", and the account completes: "Do not drink Coca-Cola. Coca-Cola is equivalent to 12 teaspoons of sugar. Obesity, diabetes, stroke, arthritis, and even cancer may be caused by

it."; III) a positive report on an online newspaper telling about a social action sponsored by Coca-Cola helping youngster living in poor regions to get professional training to start working on retail, and IV) a negative report in an online newspaper tells about a mouse found inside a Coca-Cola bottle.

#### RESULTS

#### **Respondent Profile**

The 157 replies came from undergraduate students of a business administration course. In terms of age, 67% were between 19 and 25, and the average age was 24 years. Regarding gender, 70% of the sample was female. In terms of time spent on online social networks, 69% spent more than an hour a day online (56% of men, 74% women), and 32% said they accessed the internet through a mobile phone.

#### Verification Tests

The internal consistency of the scales used in this experiment was verified using Cronbach's alpha. All scales had values higher than 0.8.

#### **Manipulations Check**

The manipulations check was performed using t-test average differences. With regard to the manipulation, its valence was verified from the answers given to the statement: "This post stimulated positive emotions in me." The positive content showed an average of around 3.53 (standard deviation of 1.32), while the average for the negative was 2.17 (standard deviation of 1.39), which leads to rejection of the hypothesis of equal averages (t = -6.148, p < 0.001).

#### Analysis of Variance

The first analysis was performed on likelihood to share. The F-test of the average differences showed no statistical significance between the dependent variable SHAREonline and the independent variables valence and format (p > 0.05). Regarding to SHAREoffline, the F-test was not statistically significant relative to the isolated variables, but there was a significant interaction (p = 0.005), indicating that the format plays a moderating role in the relationship between valence and likelihood of sharing offline: when the valence is negative, advertising becomes more likely to be shared offline than news; where the valence is positive, the opposite occurs. SHAREoffline presented a higher average for news in comparison to advertising when both are positive (3.366 against 2.682). When they are negative, the relationship is reversed: advertising has a higher average than news (3.156 vs. 2.857). Regarding to arousal, there was a statistical significance in the relationship between format and arousal and between valence and arousal, but there was no interaction among the independent variables (p > 0.05). Content with negative valence generated more arousal than positive-valence content (overall average 3.51 versus 2.90, p < 0.001), and news generated more arousal than ads (overall average 3.46 versus 3.00, p = 0,004). Regarding to usefulness, all tests were statistically significant, indicating a relationship between valence (F = 22.342, p < 0.001) and format (F = 5.548, p = 0.02), and an interaction between the dependent variables (F = 6.985, p = 0.009): when the valence was positive, the usefulness of the news was greater than that of the advertisements (3.12 to 2.24); however, when the valence was negative, the advertising usefulness was greater than that of the news (3.54 versus 3.49). The findings show that format moderates relationship between valence and usefulness. Content considered most useful (averaging in the usefulness scale equal to or above 3) had a higher average likelihood of being shared online (3.86, for high usefulness and 2.25 for low; p < 0.001) and offline (3.46 versus 2.24; p < 0.001). The usefulness

**Table 1. Results Summary** Content Variable News Ads p-Value Valence Positive -No Share Online significance Negative Positive 3.366 2.682 Share Offline 0.005 Negative 2.857 3.156 Positive 3.46 3.00 0.004 Negative Arousal\* 2.91 Positive < 0.001 Negative 3.51 Positive 3.12 2.24 Usefulness 0.009 Negative 3.49 3.54 Share Share Correlations Usefulness Arousal Offline Online Usefulness Arousal 0.678 Share Offline 0.674 0.553 Share Online 0.646 0.610 0.772

\* No significance on interplay

was correlated with dependent variables: sharing online (Pearson correlation = 0.674, p < 0.001); sharing offline (Pearson correlation = 0.646, p < 0.001) and arousal (Pearson correlation = 0.678, p < 0.001).

This experiment showed that with respect to format: (i) news tends to be more useful and generate more arousal compared to advertisements; (ii) negative news and positive advertisements tend to generate less likelihood of being shared than positive news and negative advertisements do; and (iii) demarketing actions, which discourage consumption via advertisements, are considered more useful than common advertisements, generate more arousal, and are more sharable compared to ordinary content or positive advertisements.

#### **DISCUSSION AND CONCLUSIONS**

This paper supports the idea that in terms of sharing content, items that are positive and useful are most commonly chosen by the consumer. Furthermore, the study of arousal and its relationship with user predisposition to engage in exchanges of information is in line with findings from previous studies (Dobele et al. 2007, Berger and Milkman 2012) regarding sharing. In addition, the usefulness is determinant and should have a mediating effect on the relationship between arousal, emotional valence, and likelihood to share. Findings can direct the creation of communication campaigns, whether in public relations - as considered in this study - or in other communication tools. When managing institutional crises, organizations can answer questions by order of arousal level generated in each stakeholder group. The findings represent a major challenge for organizations, as well as a theoretical implication: the likelihood that advertisements opposing a company will be shared spontaneously appears to be larger than for positive news. An attempt should be made to better qualify the different types of advertising; for example, institutional advertising and related products and services. Elections have been deeply influenced by the production of negative and positive content by journalists. Brands have been the target of campaigns by activists who exhibit unfavorable characteristics of products. This study helps to explain which content will be welcomed by consumers, and highlights that consumers will share a message if they believe it to be exciting and useful to some extent. But is it the content's perceived usefulness that generates arousal, or is arousal a prerequisite for content to be considered useful? Finally, would content in the form of advertising generated by a company be received differently from the content studied here? Among the limitations of this

#### Latin America Advances in Consumer Research (Volume 4) / 157

study are those relating to experimental research techniques, such as the study's external validity, which may have been compromised in favor of the internal validity, and the use of a convenience sample, which can lead to bias.

- Ahluwalia, Rohini (2002). "How prevalent is the negativity effect in consumer environments?" *Journal of Consumer Research* 29 (Sept.), 270 - 279.
- Andrade, Eduardo and Ho, Tech Hua (2009). "Gaming emotions in social interactions". Journal of Consumer Research, april.
- Bagozzi, Richard, Gopinath, Mahesh and Nyer, Prashanth (1999). "The role of emotions in marketing". *Journal of the Academy* of Marketing science, 27(2), 184-206.
- Baumeister, Roy, Blatslavsky, Ellen, Finkenauer, Catrin, and Vohls, Kathleen (2001). "Bad is stronger than good". *Review of General Psychology* 5(4), 323–370.
- Belk, Russel. (2010). "Sharing". Journal of Consumer Research, 15 (2), 139-168.
- Berger, Jonah (2014). "Word of mouth and interpersonal communications: a review and directions for future research". *Journal of Consumer Psychology* 24 (4), 586 607.
- Berger, Jonah and Milkman, Katherine L. (2012). "What makes online content viral?" *Journal of Marketing Research*, XLIX(April), 192–205. doi: 10.1509/jmr.10.0353
- Berger, Jonah (2013). "Contagious: Why things catch on". Simon and Schuster, New York.
- De Angelis, Matteo, Bonezzi, Andrea, Peluso, Alessandro, Rucker, Derek and Costabile, Michele (2012) "On braggarts and gossips: A self-enhancement account of word-of-mouth generation and transmission". *Journal of Marketing Research*, XLIX, 551 – 563.
- Dobele, Angela, Lindgreen, Adam, Beverland, Michael, Vanhamme, Joelle, and Wijk, Robert (2007). "Why pass on viral messages? Because they connect emotionally". *Business Horizons* 50(4), 291–304.
- Dunbar, R., Marriot, Anna and Duncan, N. (1997). "Human Conversational Behavior", *Human Nature*, 8, 231 – 246.
- Godes, David and Mayzlin, Dina (2004). "Using online conversations to study Word-of-Mouth Communications". *Marketing Science* 23 (4), 545 – 560.
- Goldenberg, Jacob, Libai, Barak, and Muller, Eitan (2001). "Talk of the network: A complex systems look at the underlying process of word-of-mouth". *Marketing Letters* 12(3), 211–223. Available at: <u>http://www.springerlink.com/index/ T24301H2268N5V46.pdf</u>
- Guerin, Bernard and Miyazaki, Yoshihiko (2006). "Analyzing rumors, gossip, and urban legends through their conversational properties". *The Psychological Record*, 56, 23 – 34.
- Gundlach, Gregory T., Bradford, Kevin D. and Wilkie, William L.(2010) "Countermarketing and Demarketing Against Product Diversion: Forensic Research in the Firearms Industry". *Journal of Public Policy & Marketing*, 29 (1), 103–122.
- Heath, Chip, Bell, Chris and Sternberg, Emily (2001). "Emotional selection in memes – The case of urban legends". *Journal of Personality and Social Psychology*, 81, 1028 – 1041.
- Heilman, K. (1997) "The Neurobiology of Emotional Experience". Journal of Neuropsychiatry, 9, 439–448.

#### $158/On line {\it Brand Content Sharing on Social Networks-An Experiment Assessing the Role of Emotions on News and Advertising Online Sharing on Social Networks-An Experiment Assessing the Role of Emotions on News and Advertising Online Sharing on Social Networks-An Experiment Assessing the Role of Emotions on News and Advertising Online Sharing on Social Networks-An Experiment Assessing the Role of Emotions on News and Advertising Online Sharing on Social Networks-An Experiment Assessing the Role of Emotions on News and Advertising Online Sharing on Social Networks-An Experiment Assessing the Role of Emotions on News and Advertising Online Sharing on Social Networks-An Experiment Assessing the Role of Emotions on News and Advertising Online Sharing on Social Networks-An Experiment Assessing the Role of Emotions on News and Advertising Online Sharing on Social Networks-An Experiment Assessing the Role of Emotions on News and Advertising Online Sharing on Social Networks-An Experiment Assessing the Role of Emotions on News and Advertising Online Sharing on Social Networks-An Experiment Assessing the Role of Emotions on News and Advertising Online Sharing on Social Networks-An Experiment Assessing the Role of Emotions on News and Advertising Online Sharing on Social Networks-An Experiment Assessing the Role of Emotions on Networks-Advertising Online Sharing on Social Networks-Adver$

Hennig-Thurau, Thorsten., Gwinner, Kevin, Walsh, Gianfranco and Gremler, Dwayne (2004) "Electronic word-of-mouth via consumer-opinion platforms: What motivates consumers to articulate themselves on the internet?" *Journal of Interactive Marketing*, 18 (1), 38 – 52.

Ho, Jason and Dempsey, Melanie (2010). "Viral marketing: Motivations to forward online content". *Journal of Business Research*, 63 (9-10), 1000 – 1006.

Hoffman, Donna. L., and Novak, Thomas P. (1996). "Marketing in hypermedia computer-mediated environments: Conceptual foundations". *Journal of Marketing 60*(3), 50–68.

Huang, Jinsong, Chen, Rong and Xia, Wang (2012). "Factors influencing intention to forward short internet videos". Social behavior and personality: an international journal, 40 (1), 5 – 14.

Ladhari, Riadh (2007). "The effect of consumption emotions on satisfaction and word-of-mouth". *Psychology & Marketing*, 24 (12), 1085 – 1108.

Ling, Kimberly, Beenen, Gerard, Ludford, P., Wang, Xiaoquin, Chang, Klarissa, Li, X., Kraut, Robert (2005). "Using social psychology to motivate contributions to online communities". *Journal of Computer-Mediated Communication 10* (4). doi: 10.1111/j.1083-6101.2005.tb00273.x

Malaviya, P. and Brendl, C. (2014). "Hedonic motives moderate regulatory focus motives? Evidence from the framing of persuasive messages". *Journal of personality and Social Psychology*, 106 (1), 1 – 19.

Miniero, Giulia., Rurale, Andrea and Addis, Michela (2014) "Effects of arousal, dominance and their interaction on pleasure in cultural environment". *Psychology & Marketing*, 31 (8), 628 -634.

Porter, Lance. and Golan, Guy (2006). "From subservient chickens to brawny men: A comparison of viral advertising to television advertising". *Journal of Interactive Advertising*, 6 (2).

Putnam, Robert (2000). *Bowling alone*: the colapse and revival of american community. New York, Simon & Schuster.

Sundaram, D., Kaushik, Mitra and Webster, Cynthia (1998) "Word of mouth communications: A motivational analysis". *Advances* on Consumer Research, 25, 527 – 531.

Tucker, Catherine E. (2015). "The Reach and Persuasiveness of Viral Video Ads". *Marketing Science* 34 (2), 281–296.

Wang, C., Galinsky, A. and Murningham, J. (2009). "Bad drives psychological reactions, but good propels behavior". *Psychological science*, 20 (6), 634 – 644.

White, Christopher (2010). "The impact of emotions on service quality, satisfaction, and positive word-of-mouth intentions over time". *Journal of marketing management*, 26 (5), 381 – 394.

Yang, Hongwei and Wang, Yingqi (2015). "Social sharing of online videos: examining american consumers' video sharing atitudes, intent and behavior". *Psychology & Marketing*, 32 (9), 907-919.

#### Frugality: Antecedents, Consequents and Implications for Consumer Welfare

Letícia Boccomino Marselha, FGV/EAESP, Brazil

Delane Botelho, EAESP-FGV, Brazil

#### **EXTENDED ABSTRACT**

Current society in industrialized countries is characterized as one of hyperconsumption, which have generated: i) negative impacts in terms of the environmental effect of production and disposal (Fujii, 2006), ii) increase of social inequalities and constant consumer dissatisfaction (Young, 1996), and iii) anxiety regarding the need to buy more, with the purchase by itself not necessarily contributing to consumer well-being. Frugality may be a response to reduce such excessive levels of consumption and increase consumer awareness about the side effects of this behavior. It is defined as an intentional and voluntary behavior (Cherrier, 2009) and a rational virtue, which consists in the reduction of acquisitions (Lastovicka et al., 1999) and the efficient use of economic goods and services to achieve longterm goals, based on a simplification of desires and the lifestyle adopted (Sherry, 1990). Our objective is to investigate the antecedents of frugality to understand what influences its emergence and what leads consumers to adopt such behavior, as well as to understand the relationship between frugality and its consequents.

#### Self-control of consumer spending

Frugal individuals prioritize long-term goals over immediate satisfaction (Sherry, 1990), and are more conscious in the personal, social, environmental and financial dimension. A highly influential factor in the financial dimension is the self-control of consumer spending (SCCS), and failures in self-control may lead to impulsive buying, so we hypothesize that:

Hypothesis 1: Consumers with low (high) levels of self-control over spending are less (more) frugal.

#### Focus on hedonic purchase values

Buying experiences can have both utilitarian and hedonic values (Belk, 1987; Sherry, 1990), but it is common to associate hedonic attributes with luxury, and utilitarian attributes with pragmatic needs (Kivetz & Zheng, 2006). Frugality is, in fact, a rational virtue, and therefore resembles the utilitarian values of consumption. Thus:

Hypothesis 2: Consumers with a greater focus on hedonic purchase values are less frugal compared to those with a more utilitarian focus.

#### Susceptibility to interpersonal influence

Individuals who are most susceptible to interpersonal influence are also more susceptible to behavioral changes, and may opt for consumption of certain products and services appreciated by his or her reference group, without necessarily considering his or her individual preferences. Frugal consumers are less willing to consume things that they do not need, so they may be less seduced by their interpersonal network. So, we hypothesize that:

*Hypothesis 3: Consumers who are more susceptible to interpersonal influence are less frugal.* 

#### Tendency to repair products

Consumers replace a product when he or she evaluates it as obsolete in some way. This may be in the technical sense, if the product no longer fulfills the functions for which it was acquired, or in the relative sense, when the consumer wishes to replace it on the basis of a comparison of potential. Since repairing entails extending the product life cycle, rather than increasing purchases and searching for substitute products, the fourth hypothesis is:

*Hypothesis4:* The more (less) frugal consumers are, the greater (lesser) tendency to repair products they have.

#### Satisfaction with life

More materialistic individuals tend to have lower levels of satisfaction, greater unhappiness (Belk, 1987), and lower levels of autonomy, gratitude, and meaning in life and take less joy from their relationships. In modern societies, happiness is promised through the acquisition and consumption of goods and services; however, the economic system built on this logic does not fully meet real needs. So, H5 arises:

*Hypothesis 5: More frugal consumers have greater satisfaction with life.* 

An online survey was conducted in October 2015 with 171 Brazilian respondents. The data were analyzed using structural equation modeling (SEM) via PLS (Partial Least Square) approach. In the measurement model, all variables presented indexes greater than 0.8 for composite reliability, which indicates internal consistency. For convergent validity two criteria were considered: (i) standard factorial loadings of the indicators (outer loadings) and (ii) average variance extracted (AVE). The standardized root mean square residual was was 0.079, indicating a good fit of the measurement model. Our results support all hypotheses except H2.

Our research has implications for practitioners. Marketing communications to frugal consumers should be more objective and informative, since such consumers (at least those in our sample) tend to be less susceptible to interpersonal influence and have greater selfcontrol over spending. Conscious and efficient consumption may be a relevant trend for years to come, so communications that value consumer well-being over product attributes may be more effective for audiences who are more conscious about the effects (both positive and negative) of consumption. The fact that frugal consumers have a greater tendency to repair products than do nonfrugals has implications for marketing management and for public policies. In terms of environmental benefits, repair is one of the best options because it requires less energy and much of the material is retained. Government incentive mechanisms for product repair could be discussed with companies, so that the habit of repairing (which was common in the 1960s and 1970s) again becomes part of our consumption culture.

- Belk, R. W. (1987). Material values in the comics: A content analysis of comic books featuring themes of wealth. *Journal of Consumer Research*, 14(1), 26–42.
- Cherrier, H. (2009). Anti-consumption discourses and consumerresistant identities. *Journal of Business Research*, 62(2), 181–190.

#### 160 / Frugality: Antecedents, Consequents and Implications for Consumer Welfare

- Fujii, S. (2006). Environmental concern, attitude toward frugality, and ease of behavior as determinants of pro-environmental behavior intentions. *Journal of Environmental Psychology*, 26(4), 262–268.
- Kivetz, R., Zheng, Y. (2006). Determinants of justification and selfcontrol. *Journal of Experimental Psychology: General*, 135(4), 572–587.
- Lastovicka, J. L., Bettencourt, L. A., Hughner R. S., Kuntze, R. J. (1999). Lifestyle of the tight and frugal: Theory and measurement. *Journal of Consumer Research*, 26(1), 85–98.
- Sherry, J.F. (1990). A sociocultural analysis of a midwestern American flea market. *Journal of Consumer Research*, 17(1), 3–20.
- Young, R. (1996). Some psychological aspects of reduced consumption behavior the role of intrinsic satisfaction and competence motivation. *Environment and Behavior*, 28(3), 358–409.

#### Mobility Factors for Reducing Self-Reported Travel Times to Health Services

Diana E. Forero, Fundación Universitaria Konrad Lorenz, Colombia Laura M. Torres, Fundación Universitaria Konrad Lorenz, Colombia Laura S. Rodríguez, Fundación Universitaria Konrad Lorenz, Colombia Juan C. Correa, Fundación Universitaria Konrad Lorenz, Colombia

#### **EXTENDED ABSTRACT**

The spatio-temporal dimension related to mobility and transportation can facilitate or inhibit the physical access to health services. The organization of transportation systems affects travel times to health services as well as individuals' desired mobility as it makes less attractive for them to take additional routes for reaching health center. Thus, transportation means, travel times and other factors that affect the mobility in general, are said to be contextual aspects that facilitate access or become barriers to the use of health services (Arcury et al., 2005). As such, this is a topic of multidisciplinary interest in the areas of transformative consumer research (Anderson et al., 2013), public policy and management of health care services (Syed, Gerber, & Sharp, 2013). Understanding the factors that facilitate mobility and access to health services enables the design of more flexible, adaptable and integrated services in specific consumption contexts, reducing both service barriers and consumers' vulnerability (Grabovschi, Loignon, & Fortin, 2013).

The study of access to health services calls the attention of different perspectives, including the geographic one. From the spatial perspective, one subject of study consists of analyzing the impact of residence areas on the development of morbidity and mortality. From the temporal perspective, other topic entails the relationship between travel times, environmental stress, and population health (Black & Black, 2009; Linard, Gilbert, Snow, Noor, & Tatem, 2012). In particular, previous research have found that travel time to the care setting is a barrier to health care delivery in different populations, especially for the poor, children, the elderly and the young (Syed, Gerber, & Sharp, 2013). When travel time is too extended it is more likely that the person decides not to go to the health service. These studies showed external factors (enabling factors) affecting access to health services that increase health inequities among populations. However, there is less knowledge about the factors that facilitate the reduction of commuting time to health services, when there are mobility problems.

In Bogotá there is a mobility problem that affects the access of the population to health services. The identification of the most vulnerable populations and their associated travel times, as well as the factors that contribute to their speeding, or slowing, can help health service providers and policy-makers to facilitate the access to health centers, especially in those populations with a greater risk of morbidity and mortality. This study tackles this problem, by identifying factors that are good predictors of shorter travel times to health services, from a population perspective.

#### FACILITATING FACTORS AND THE USE OF HEALTH SERVICES

Travel time to health services can be affected by several factors. Studies in health geography show that both predisposing and enabling factors are the two central aspects affecting the access to health services. Among the predisposing factors are demographic characteristics such as age, gender or ethnicity, and socio-familial characteristics, such as the composition of the household or the number of people with income. The enabling factors include the level of income, the existence of public transport, the type of medical insurance (Arcury et al., 2005), access to telecommunication media. In this context, the transport and its associated dimensions are the enabling factors.

The people mobility is facilitated or restricted by the transport type used, the number of different transportation means required and the mode of transport: public, private, motorized or non-motorized. Other geographical aspects such as home residence and workplace locations, as well as the expense derived from the use of different transportation means, also affect the access to the health center location (Lilienthal, Possemato, Funderburk, & Beehler, 2016). In general, it can be said that enabling factors can include the means available to individuals for the use of health services, they include resources, structures, institutions, procedures and regulations through which they can access or interact with health services (Levesque, Harris, & Russell, 2013). Enabling factors can include individual's resources to access the services or to facilitate their own mobility. Thus, owning a vehicle or consulting information online can also be considered within this group.

Both predisposing and enabling factors have been extensively studied as determinants of health (Kelly et al., 2016), but these factors can have an impact on travel times. In this regard, these factors help to understand the reasons what decreases barriers to consumer access to health services and the differences between populations, as it is shown in the following.

#### METHOD

The study was conducted with a sample of 2130 habitants of three towns (n=1745) and six small villages (n=385) in Cundinamarca department of Colombia. The three cities included the capital city (Bogotá) and two nearby intermediate cities (Facatativá and Girardot). The villages were in some cases with more urban characteristics (Chía, Ubaté and Soacha) and, in other cases, they were populations more distant of rural type (Pacho, Bituima and Villa Gómez). The regions included in the sample were selected for their high rates of maternal and infant morbidity and mortality, according to statistics from the Ministry of Health. Multi-stage sampling was used and a surveytype questionnaire was developed with a section of predisposing variables and other of enabling factors and the information about the time that the person takes in the displacement from the house to the health service. The first section included socio-demographic characteristics and family features such as age, sex, income, family size and composition, children in gestation and under five years of age. The second section was about enabling factors related to transportation and telecommunications systems used. Subjects were asked to report the use of different modes of transport employed in a typical day (i.e., the public and private motorized and non-motorized transport and walking); the frequency of use and the total expenses per week of each modality. In addition, sujects were asked to report their areas of residence and workplace as well as the usual commuting time. Finally, we inquired about the telecommunications systems used by each person, whether they had text messaging systems, Internet at home or near the residence and prepaid or postpaid cell phones.

In order to elaborate the model of the factors that predict shorter travel times, a decision tree method was used, with the CART growth method. It was employed the division into two halves of the model validation sample. We took a sample of 100 cases as the minimum for the filial node and 50 for the parental. We used for the pruning process, a standard error of zero, so that the risk of error was minimized.

#### RESULTS

Of the different variables included for the analysis in the predictive model, only three factors allowed to identify the populations with different durations to attend the health services: i.) commuting time between home residence and workplace, ii.) the access to Internet near to home and iii) the weekly expense in transportation. The importance of these variables was 100% in the time of travel, 47.2% having Internet and 32.9% in weekly transportation expenditure. The risk of the model obtained in the contrast sample was of 804.5, the sample deviation of 28.4, leading to a coefficient of determination of 99.6%. This is a good predictive model of the commuting times to the health service place.

The resulting hierarchical tree shows that the commuting time between home and work is the best predictor of travel times to health service. The first node indicates that travel times to the health service improve when the workplace is less than 82.5 minutes away from home. On average, the time of access to the health service decreases in 7 minutes in comparison with those who need to cover longer distances to move from home to work. Those who reported shorter commuting times from home to work and have Internet access reduce travel time to health services by an average of 5 minutes. Finally, those who have Internet near their homes and a transport cost cheaper than US\$ 12 in their weekly trips, showed the shortest travel times to health services. As for the transport expenditure, this is correlated in 43.6% with the number of public transport modalities used, this result indicates that the greater public transport expenditure generates a greater expenditure on transport in general. The results can be seen in figure 1.

On the other hand, it should be noted that none of the predisposing variables was a good predictor of travel times to the health service. Neither the individual characteristics nor the familiar aspects facilitate the access time to health services. Living in rural areas or towns close to cities is not a predictor of travel time to the health service, nor social class. In addition, the correlations between these factors and travel times between the residence and work sites are low (Chi-square = 1291 sig., 0.000, Eta = 0.24 and Chi-square = 324 sig. 0.000, Eta = 0.23, respectively).

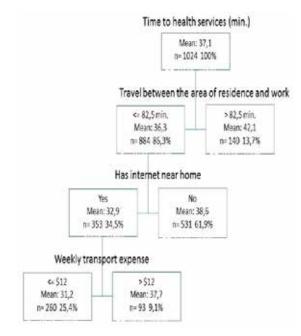


Figure 1. Predictors for the time of travel to the health service

#### DISCUSSION AND CONCLUSIONS

The results show that travel times to the health service are determined by spatio-temporal factors and by access to information. From the geographic variables, the commuting times from home to workplace are the best predictors of travel times to the health service. However, neither the place of residence nor the place of work are predictors of travel times to health services, this suggests that access to the health service is more related to time than to distance from the source, this is a factor more related to mobility than to the spatial location of the origin of the displacement. These findings are consistent with transport studies that show the differential role of spatial and temporal dimensions in explaining transport and mobility phenomena (Janelle & Gillespie, 2004).

This result shows that health care policies and services should consider the temporal logic of the service for their organizations. Priority must be given to commuting time as well as spatial or social class factors. The temporary convenience to access the service facilitates it in different populations, of all kinds of social classes and rural or urban zones. In this particular case, the locations from the home to the work that are superior to 84 minutes, generate populations with greater vulnerability and with a greater risk of non-physical assistance to the services, increasing the access barrier. Although each case is particular, it is necessary to deepen both the distribution of users' journeys and the relationship between travel times from different areas of origin and the network of health care centers. This information helps to create models of health care attention networks which in turn are more sensitive to users' needs as they capture travel demand (Geurs & Van Wee, 2004). From the viewpoint of consumer psychology, it is necessary to understand the time thresholds that are convenient or inconvenient for different services and conditions, so more objective measures can be established on the conditions in which travel times become barriers to access.

Finally, mobility-facilitating factors are associated with increased access to mobile information, such as that provided through the internet, and the decrease in transportation costs. The proximity to urban transport lines and information become facilitators of access and mobility towards health services, these two aspects need to be considered within the barriers to remove to increase access to health services, in addition of others factors that have been studied as financial barriers (Mcpake et al., 2013). The result also highlights the need to increase access by mobile means such as telehealth and health informatics, as well as services in homes.

- Anderson, L., Ostrom, A. L., Corus, C., Fisk, R. P., Gallan, A. S., Giraldo, M., ... Williams, J. D. (2013). Transformative service research : An agenda for the future. *Journal of Business Research*, 66(8), 1203–1210. http://doi.org/10.1016/j. jbusres.2012.08.013
- Arcury, T. A., Gesler, W. M., Preisser, J. S., Sherman, J., Spencer, J., & Perin, J. (2005). The Effects of Geography and Spatial Behavior on Health Care Utilization among the Residents of a Rural Region. *Health Services Research*, 40(1), 135–156. http://doi.org/10.1111/j.1475-6773.2005.00346.x
- Black, D., & Black, J. (2009). A Review of the Urban Development and Transport Impacts on Public Health with Particular Reference to Australia : Trans-Disciplinary Research Teams and Some Research Gaps. *International Journal of Environmental Research and Public Health*, 6, 1557–1596. http://doi.org/10.3390/ijerph6051557

- Geurs, K. T., & Van Wee, B. (2004). Accessibility evaluation of land-use and transport strategies : Review and research directions Accessibility evaluation of land-use and transport strategies : *Journal of Transport Geography*, *12*(2), 127–140. http://doi.org/10.1016/j.jtrangeo.2003.10.005
- Grabovschi, C., Loignon, C., & Fortin, M. (2013). Mapping the concept of vulnerability related to health care disparities: a scoping review. *BMC Health Services Research*, 13, 94. http:// doi.org/10.1186/1472-6963-13-94
- Kelly, S., Martin, S., Kuhn, I., Cowan, A., Brayne, C., & Lafortune, L. (2016). Barriers and Facilitators to the Uptake and Maintenance of Healthy Behaviours by People at Mid-Life : A Rapid Systematic Review. *Plos One*, *11*(1), e0145074. http:// doi.org/10.1371/journal.pone.0145074
- Levesque, J., Harris, M. F., & Russell, G. (2013). Patient-centred access to health care : conceptualising access at the interface of health systems and populations. *International Journal for Equity in Health*, *12*(18), 1–9. http://doi.org/10.1186/1475-9276-12-18

- Lilienthal, K., Possemato, K., Funderburk, J., & Beehler, G. P. (2016). Predisposing Characteristics, Enabling Factors, and Need as Predictors of Integrated Behavioral Health Utilization. *The Journal of Behavioral Health Services & Research*. http:// doi.org/10.1007/s11414-016-9496-9
- Linard, C., Gilbert, M., Snow, R. W., Noor, A. M., & Tatem, A. J. (2012). Population Distribution, Settlement Patterns and Accessibility across Africa in 2010. *Plos One*, 7(2). http://doi. org/10.1371/journal.pone.0031743
- Mcpake, B., Witter, S., Ensor, T., Fustukian, S., Newlands, D., & Martineau, T. (2013). Removing financial barriers to access reproductive, maternal and newborn health services : the challenges and policy implications for human resources for health. *Human Resources for Health*, *11*(46), 1–15. http://doi. org/10.1186/1478-4491-11-46
- Syed, S. T., Gerber, B. S., & Sharp, L. K. (2013). Traveling Towards Disease: Transportation Barriers to Health Care Access. *Journal of Community Health*, 38(5), 976–993.

### The Role of Brand Predisposed Preferences on the Effectiveness of Product Placement: Comparing Hispanic and Non-Hispanic Moviegoers in the US

Sindy Chapa, Florida State University, USA Alejandro Estrada, Florida State University, USA Mengying Zhang, Florida State University, USA

#### ABSTRACT

The purpose of this study is to explore to what extent, the level of brand familiarity and a positivity predisposition toward a brand affects the implicit versus explicit product placement on Hispanic moviegoers versus non-Hispanics. For the purpose of this study, the movie "Deadpool" was selected with a total sample size of 616. A national panel was utilized for data collection, and a SEM and ANO-VA tests were conducted for Hypothesis testing. A proposed model shows brand familiarity antecedes brand-recall and attitudes toward the brand, which in turns affects the intention to purchase. A brand "predisposed preference" was found to be a stronger antecedent of brand-recall and attitudes, as well as a direct predictor of intention to purchase. When comparing product placement forms, the results showed an explicit brand placement has a greater brand-recall (48%) than the implicit brand placement (26%). Further, it was found that Hispanics were more likely to recall the explicit brand placement when compared to African Americans, Whites, and Asians, in that order.

# **Author Index**

### A

Abdul-Ghani, Eathar
Antonio, Juan 135
Arias, Claudia
Aristizabal, José A 56
Askegaard, Søren 110

### B

Bajde, Domen
Banerjee, Pronobesh 118
Barbosa, Maria de Lourdes de Azevedo 65
Barboza, Stephanie 150
Barrios, Andrés 5, 5, 11
Bastos, Adriana 150
Battistella-Lima, Suzana Valente
Becerra, Enrique P 21
Belk, Russell 28, 124
Bhandari, Gokul 126
Bockenholt, Ulf
Boegershausen, Johannes
Borchardt, Miriam 46
Botelho, Delane 111, 132, 157, 161
Brito, Pedro Quelhas 140
Britto, Larissa de
Bussiere, Dave
Bustamante, Juan

# С

## D

Dahl, Darren W 139
Dakduk, Silvana 69
Dalman, M. Deniz 26
Dalmoro, Marlon
Delgado, Henry Navarro 22
Dimoka, Angelika 17
Drozdova, Natalia 66
Duque, Lola
Duque-Oliva, Edison Jair

### E

Eckhardt, Giana M 41
Edit, Kiss Orhidea 48
Estrada, Alejandro 166
Estrada-Mejia, Catalina 11

### F

Farias, Salomão Alencar de
Farias, Salomão De 144, 146
Feiereisen, Stephanie
Feitosa, Wilian R 157
Ferreira, Alexandre
Ferreira, Bianca Gabriely
Ferreira, Kirla 111
Fleck, João Pedro Dos S
Forero, Diana E 103, 163
Francisco, Laura Rojas De
Furtado, Wilderson Moisés

# G

Galvão, Franciani F 156
Galvis, Isabel
Gaviria, Pilar Rojas 5
Giraldo, Mario
Goedegebure, Robert P.G
Gomez-Villanueva, Jorge Eduardo 101
González, Eva M 122
Guarnieri, Fernanda
Guillermo 135

### H

Hansen, Karsten T 1, 1
Hennig-Thurau, Thorsten 67
Henriquez-Daza, Maria Cecilia 21, 109
Herpen, Erica van
Hoegg, Joandrea 139
Hu, Guimei
Husemann, Katharina C
Hyde, Kenneth F 63

### I

### J

# K

Kamleitner, Bernadette 142
Karimi, Sahar 116
Kim, Pielah
Kiss, Orhidea Edith 52
Kleppe, Ingeborg Astrid
Klesse, Anne-Kathrin 139
Knoeferle, Klemens 73
Koku, P. Sergius 153

Kumar,	Bipul													24	

# L

Liang, Jianping
Liu, Yu-Lun 116
Llonch-Andreu, Joan 101
Londoño-Roldan, Juan Carlos 21, 109
López-Lomelí, Miguel Angel 101

# Μ

Macias, Juan Lucas 60
Manoharan, Bhupesh
Manrai, Ajay K
Manrai, Lalita A
Marcazzo, Giuseppina 133
Marchand, Andre
Marselha, Letícia Boccomino 161
Marshall, Roger
Matos, Celso Augusto De
McShane, Blakeley B 1, 1
Melo, Francisco Vicente Sales
Mette, Frederike Monika Budiner
Meyvis, Tom
Miranda, Ana Paula de
Mishra, Sanjay 118
Mitchell, Vincent-Wayne
Montoya, Luz-Alexandra
Mota, Luciano 156
,

# Ν

Nadler, Amos
Nascimento, Polyanna Do 144, 146
Nasr, Linda
Nave, Gideon
Neto, João do Carmo Ribeiro
Nonohay, Roberto Guedes

# 0

Ogallar, Pedro M. y 56	
Oliveira, Zaíla 140	
Orozco-Gómez, Ma Margarita 122	
Osorio, Juan Carlos Monroy 85	
Otálora, Mauricio Losada 5	
Ourahmoune, Nacima 83	

### Р

Pacheco, Barney
Pacheco, Barney G
Pacheco, Marvin 120
Parente-Laverde, Ana Maria 60
Paus, Vilhelm
Pépece, Olga 75, 90
Pépece, Olga Maria C 156
Pereira, Beatriz 11
Pereira, Giancarlo
Permell-Hutton, Cherisse
Preece , Chloe

Latin America Advances in Consumer Research Volume 4, © 2017

### R

Rahman, Osmud
Rakshit, Krishanu
Ramírez, Germán Contreras 5
Ramírez-Angulo, Pedro Julián
Rayburn, Steven
Rech, Eduardo
Rialp, Josep 122
Robayo-Pinzon, Oscar 107
Rodner, Victoria
Rodríguez, Laura S
Rodriguez-Solis, Laura
Rohden, Simoni Fernanda
Rojas, Diana
Rojas-Berrio, Sandra 107
Rosa, Jose A
Rosenbaum, Mark S 5
Rubio, Natalia

# S

Saad, Gad 154
Sandoval, M 56
Santos, Marcos Ferreira 5
Sevilla, Julio
Silva, Marianny 146
Silva, Nôga Da
Singh, Surendra N 118
Singh, Vishal 1, 1
Stoel, Leslie
Sussenbach, Sophie 142

### Т

Tello, Luis
Torres, Laura M 163
Torres, Luis
Trijp, Hans C.M. van 71
Tully, Stephanie
Tyrell, Julia

### V

Trujillo, Carlos Andres V 11, 11
Vaidyanathan, Rajiv
Velasco, Carlos
Venkatraman, Vinod 17
Veres, Zoltán
Viegas, Cláudia 46
Vossen, Alexander
Voyer, Peter
Vries, Eline de 39

### W

Wang, Haizhong.	 	 	44
Wang, Ze	 	 	118

# Z

Zavs, David 1	7
Zhang, Mengying 16	6
Zoltán, Veres 4	8

# ASSOCIATION FOR CONSUMER RESEARCH

ISBN-10: 0-915552-27-2 ISBN-13: 978-0-915552-27-6